EXTENSIONS OF REMARKS

IVHS IN DETROIT'S BACKYARD

HON. WM. S. BROOMFIELD
OF MICHIGAN
IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1991

Mr. BROOMFIELD. Mr. Speaker, more efficient and safer traffic flow on our Nation's roadways certainly is a worthwhile objective. In Michigan, local government and industry are working to achieve that objective by cooperating to implement a 5-year intelligent vehicle highway system in Oakland County. I am very pleased that the operational testing of this innovative program will occur in my district in the city of Troy.

This traffic program is expected to improve the efficiency of roadway operations by 20 to 30 percent and to impact significantly on traffic management nationally and internationally. The prospects for success are great and I commend the Oakland County program as a model for other cities striving to reduce traffic congestion.

I offer my colleagues an article which appeared in the January 1991 issue of Automotive Industries. The article was written by Jim Haugen who has been involved in the planning phase of the Oakland County program.

[From the Automotive Industries, January 1991]

IVHS IN DETROIT'S BACKYARD

(BY JIM HAUGEN)

The objective is more efficient and safer traffic flow. The means to the objective is Siemen's Ali-Scout system. And it involves the cooperation of a consortium of automotive/electronic companies and public agencies, who are cooperating to put a five-year Intelligent Vehicle Highway System program in place. The effort will have international significance, and it will all take place in northern Oakland County right in Detroit's back yard.

This innovative program focuses on testing and deploying a combined Advanced Traffic Management System and an Advanced Driver Information System (ATMS/ADIS). In other words, the program will simultaneously provide smarter roads (the ATMS function) and smarter cars (the ADIS function).

"We can't build our way out of traffic congestion. But we expect to see a 20 or 30 percent improvement in the efficiency of operation of our roadways resulting from this combined system," says John Grubba, managing director of the Road Commission of Oakland County.

This program is of international importance in a number of respects:

The private portion of the consortium is made up of US, European and Japanese companies.

This international group, in turn, will uniquely work side by side with a public partnership of local, county, state and federal agencies.

The consortium will test and implement an international mix of technologies.

The program will be conducted in the backyard of the US auto industry, giving automotive executive daily exposure to the public significance and private market potential of IVHS.

It's a multi-year program, from operational testing to the deployment of a system that cities can implement and consumers can buy.

Oakland County can be considered a prototype of the modern city—decentralized and auto-oriented city with rapid growth and difficulty in coping with the public's desired automotive freedom.

The international consortium team from the private side consists of five companies: General Motors, Ford, Chrysler, Siemens and Michigan Bell. The public side consists of the Road Commissions of Oakland: the Michigan Department of Transportation; the City of Troy; and two universities—The University of Michigan and Oakland University. The nature of Federal participation is under consideration.

The program consortium team has initiated Phase Zero, Program Planning, which will last until June, 1991. The program planning is concentrated on a six mile by six mile area within the City of Troy. This site has been selected for an operational test because of the variety of alternate travel paths—arterial roads and freeways; the variety of land uses—residential to high rise offices; and the current automobile congestion levels. The planning phase will work out technical details of a text program as well as establish the sources and uses of program funds.

Phase One, the Operational Test, will begin shortly after the completion of Phase Zero. Since each member of the consortium team has the right to decide about its participation on a phase-by-phase basis, the team content could change for the actual Operational Test. The operational test is being planned on the basis of involving up to 1,000 cars, exclusively or predominantly supplied by team members.

Each car will be equipped with Siemens Ali-Scout In-Vehicle Units or IVUs. The IVU is capable of executing three functions: receiving and transmitting data, providing a display of guidance recommendations based on received data, and navigation to locate the vehicle and get it to a desired location.

The vehicle driver is directed to his or her programmed destination through the Ali-Scout vehicle display unit. The unit does this by means of simple graphics, combined with a voice prompt for required turns.

The Ali-Scout system provides dynamic guidance recommendations which are based on knowledge of the current traffic situation. Therefore, it can direct a driver over the current quickest route, bypassing the worst congestion or accident-induced traffic tie-ups. It does this through its link into the roadway infrastructure. Several pieces of equipment are involved in this dynamic route guidance function. Some 20 to 25 percent of the traffic lights in the road network are assigned a fourth color traffic light—an infrared transceiver.

As vehicles pass these infrared units they both transmit travel time from the last beacon passed to the central computer system tracking roadway travel times. The computer uses this data to continually compute optimum travel times for different routes. This information is, in turn, received by vehicles as they pass each IR beacon unit.

The Advanced Traffic Management System is based upon two principles: achieving demand-responsive control of traffic lights, and achieving areawide optimization of traffic flow through the traffic light network. Today, traffic lights are typically timed on a traffic count basis. A traffic count of the number of vehicles using the various lanes is taken and the relative green/red phases set accordingly. But traffic counts are only taken periodically, as much as six months or a year apart. Accordingly, they are unable to reflect the traffic situation of the season, day, hour or minute. New technology, in the form of advanced video cameras, allows instant "smart roadway" knowledge of traffic flow. This new technology will be tested in Phase One, along with sophisticated software for optimizing vehicle flow through multiple traffic lights.

During Phase Two of the Oakland Program, both the ATMS system and the ADIS system will be expanded. Along with this expansion, the number of Ali-Scout systems will also be modified. The modification will reflect feedback from drivers on system performance and features. It will also reflect increased capabilities of the technology, as currently under development. For example, the system can be expanded to include "yellow pages" type tourist information; or provide priority capabilities for transit management; or allow reservation of parking spaces and automatic payment through a debit card.

IVHS concepts must be turned into field trials to demonstrate their reality. Phase One and Two of the Oakland County Program will do this. Important information will be gained of international importance. What performance improvement results at what cost? How much of the performance change is attributable to Ali-Scout and how much to the ATMS system? How much are consumers willing to pay for such equipment in their cars? What improvements to the system are desired to enhance its usability. Hopefully, these answers will lead to a successful Phase Four—the world's first successful operational deployment of an IVHS system. Deployment of a system that enhances the operation of public roadways: that adds to the functionality of the automobile; that is attractive on a cost/benefit basis that consumers want to buy.

"This international cooperative Oakland County Program can establish the momentum to make the Detroit area the center for a whole new industry focused on IVHS technology," says Ron Knockeart, VP of Central Technology for Siemens Automotive.

And that's a real bonus.

A TRIBUTE TO FRED M. DUMAN

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1991

Mr. STARK. Mr. Speaker, I rise today to pay tribute to Mr. Fred M. Duman. Mr. Duman is resigning as a member of the South County Community College District Board of Trustees which administers both Chabot and Las Positas Colleges, in California's Ninth Congressional District, after nearly 24 years of service. Mr. Duman has served on the board since 1967 and during his tenure, his work on behalf of Chabot and Las Positas colleges has led to the graduation of thousands of residents with associate in arts degrees and with training in more than 50 technical fields.

Mr. Duman is a long-time resident of Hayward, CA. He received his associate of arts in general education and his bachelor of arts in psychology from Boston University. He then received his J.D. from Boalt Hall at the University of California at Berkeley in 1960.

Mr. Duman's legal contributions to the community have been extensive. He has contributed his time to numerous organizations including the California State Automobile Association, the Southern Alameda County Board of Realtors, the American Arbitration Association, the Alameda-Contra Costa County Trial Lawyers Association, the Alameda County Bar Association, the NAACP, the Legal Aid Society, and the States Bar Association.

Mr. Duman has also been a member of a number of civic and professional organizations. He has served as the former director of the California Community College Trustees, the past chairman of the Legislative Committee of the Castro Valley Chamber of Commerce, the past director of the Legal Aid Society of Alameda, CA, and, the past director of the Alameda County Bar Association. He has also been a member of the President's Advisory Committee of the Leukemia Society of Northern California, a member of the Advisory Committee for the Chancellor of California Community Colleges and, a former member of the board of directors of the Clinic for Adults and Children Psychiatric Services, Inc.

Mr. Speaker, I would like to take this opportunity to commend Fred Duman for his numerous contributions to the community over the years. He has been an important regional ambassador to each of the aforementioned local, State, and national organizations. I would also like to extend my appreciation for his nearly 24 years of service as a member of the South County Community College District Board of Trustees.

A TRIBUTE TO ENOLIA McMILLAN

HON. C. THOMAS McMILLEN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1991

Mr. McMILLEN of Maryland. Mr. Speaker, I rise today to pay tribute to a truly exceptional person in our community. She has been a leader, an organizer, a teacher, and an administrator. But perhaps more importantly, she has been a groundbreaker in the true sense of the word. Mrs. Enolia McMillan has been a member of the NAACP for 55 years. In each and every one of those years she has worked to build the organization, both in Baltimore, MD and on the national level. Her contributions to the NAACP, and to the people of Maryland have been astounding.

Mrs. McMillan's tenure at the NAACP can be characterized as active and effective. In 1935, she helped reorganize the Baltimore branch and since that time has served with real commitment as its 21-year president and as a faithful member. Mrs. McMillan has shown the same commitment to education in the State of Maryland, as a professional teacher and as an administrator, for over four decades.

Mrs. McMillan was the first woman to head up the Maryland Education Association which pressed for, among other things, equal pay for African-American teachers. She was also the first woman national president of the NAACP. Many years of striving and many years of commitment have proven Mrs. McMillan to be a role-model; for the African-American community, for women, and for individuals who are concerned about the world around them and have the will to affect it. I can hardly think of anyone more deserving of praise and so today I offer this statement of gratitude to Mrs. Enolia McMillan.

PATRIOTISM: THE VITAL COMPONENT OF A SUCCESSFUL NATION

HON. D. FRENCH SLAUGHTER, JR.

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1991

Mr. SLAUGHTER of Virginia. Mr. Speaker, I would like to take this opportunity to submit for the RECORD an essay on patriotism which was written by Miss Lori L. Hawk, a senior at Goochland High School in my congressional district. I commend Miss Hawk for her efforts and insight in composing the following essay which is particularly appropriate in light of the war in the Persian Gulf:

"PATRIOTISM: THE VITAL COMPONENT OF A SUCCESSFUL NATION"

"I regret that I have but one life to lose for my country." This statement was made by Nathan Hale, an American patriot and spy during the Revolutionary War. At his execution in 1776, where these famous words were spoken, Hale represented the very definition of patriotism. Patriotism is the love for a country, its documents and its values. It is the fundamental key to the survival of any political state. Patriotism is a vital component of the success of a nation as well as to the definition of good citizenship and to the promotion of liberty.

Essentially, nations are dependent upon patriotism to succeed. Without the support of its citizens, a country is weak and helpless. Furthermore, if no one believes in the statutes of a political community, no support is given. Without love and dedication from patriotic citizens, a nation cannot advance and become powerful. Because of the allegiance of the American soldiers during the Revolutionary War, the "patriots" were able to pull the colonies out from under British control. Since then, because of patriotism, the United States has become and still remains a very powerful Nation. Because of this truth, one can assume that patriotism is necessary and very important for a country to succeed.

In addition to helping a nation prosper, patriotism must also be a part of the definition of a "good citizen." Webster's New World Dictionary defines a citizen as "a member of a state or nation who owes allegiance to it by birth or naturalization." From this explanation, patriotism can be seen as a direct link to "good" citizenship and citizenship as a whole. It is folly to believe that a good citizen is not necessarily a patriot. Patriotism must exceed far beyond the citizenship of a person and deep into his heart and soul. A "good citizen" must have this passion to be called such and must practice patriotism as second-nature. Through the definition of "citizen" and the qualities thereof, it is evident that any such "good citizen" must be a patriot in order to be given this title.

As well as the success of a nation and the making of a "good citizen," patriotism is also the supreme promotion of liberty. A fine example of this concept is the sacrifice of American soldiers throughout American wars. If it had not been for the devotion of thousands of American men, liberty for the United States might be merely a fantasy and communism or other dictatorships a horrifying reality. These men, having hearts filled with patriotism, fought bravely for the freedom of their country and its people. Preserving liberty successfully, through their ultimate deaths, these patriotic soldiers proved that everlasting liberty is attained through love for country and freedom.

Through the evidence cited above, one can clearly note that patriotism is an important part of a nation, a good citizen and the promotion of liberty and freedom. Patriots are a vital part of any successful country anywhere in the world. Even though not all agree on every issue, patriots, in an inclusive manner, all support their country, government and freedoms. More patriots are needed in today's society so that all Americans will be encouraged and spurred to have faith in their country and its actions. To quote from Abraham Lincoln's Gettysburg Address, "It is rather for us to be here dedicated to the great task remaining before us—that from these honored dead we take increased devotion to that cause for which they gave the last full measure of devotion * * *"

A TRIBUTE TO UCLA VICE CHANCELLOR ELWIN V. SVENSON

HON. JERRY LEWIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1991

Mr. LEWIS of California. Mr. Speaker, I would like to bring to your attention the outstanding contributions and fine public service of Dr. Elwin V. Svenson, vice chancellor-institutional relations at UCLA. On February 12, Dr. Svenson will be recognized for his 35 years of dedicated service to UCLA and honored as he celebrates his 65th birthday.

Dr. Svenson's roots at UCLA go back over 40 years. He received his B.A. in political science in 1948, and completed graduate studies in education in 1954. Since then, Dr. Svenson has committed much of his adult life

to providing better educational opportunities to people in the United States and around the world.

Appointed vice chancellor at UCLA in 1975, Dr. Svenson has major responsibility for liaison with the Federal Government and represents the chancellor in the development and ongoing relations with institutions in foreign countries. Serving on the Administrative Committee for the International Studies and Overseas Programs, he provides valuable guidance and advice to UCLA for agreements involving international institutions. Largely through his efforts, UCLA has past, current, or developing exchange programs in Brazil, Bulgaria, Chile, Czechoslovakia, Japan, Korea, Malta, Mexico, Nigeria, People's Republic of China, Peru, Saudi Arabia, Taiwan, the Philippines, and Yugoslavia.

Over the years, I have been particularly impressed, not only by Dr. Svenson's commitment to education, but his articulation of ideas with a lasting impact upon people and nations alike. Dr. Svenson's concept of debt for equity swaps, and subsequent proposal of this program between the United States and Mexico, is only one illustration of his unique contribution to public affairs. He realizes that America's long-term relations with Mexico are critical; his imagination and vision has played and will continue to play an important role in this developing relationship.

Mr. Speaker, the achievements of Dr. Svenson and his many contributions to UCLA and higher education are literally too numerous to mention. I ask that you join me and our colleagues today in recognizing this innovative, selfless man who has committed his entire adult life to a broader understanding of the world in which we live. As a man, an educator, a Bruin—this man stands alone. His 35 years of dedicated service to UCLA certainly make him worthy of recognition by the House of Representatives.

RETIREMENT OF PETER C. SCRIVNER

HON. LES ASPIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1991

Mr. ASPIN. Mr. Speaker, I want to take this opportunity to honor on his retirement Peter C. Scrivner, a very capable and senior member of the committee staff. Peter has completed over 14 years of service to the committee and over 28 years of public service in the House of Representatives, beginning in 1962, when he joined the staff of Mel Price.

I am sure all of the members of the committee will agree that we are indebted to Pete for his years of outstanding service.

Some of you may know that in 1962, Pete joined the office of the late Melvin Price of Illinois as a legislative intern. Pete rose through the ranks quickly and then served as Mel's administrative assistant for 11 years. Epitomizing Chairman Price's style of hiring good staff and giving them wide latitude, Pete virtually ran the office, including Mr. Price's district politics.

For a time, many observers expected Pete to succeed Mr. Price. We understand at one point, as the archetypal congressional staff member, he considered doing so. But, there was no certainty as to when Mr. Price would step down, or, if the Illinois Democrats would support him under any other scenario. Apparently, the thought of cooling his heels in East St. Louis indefinitely did not appeal to Pete. Pete never did return to Illinois.

In November 1976, Pete was drafted onto the committee staff where he was assigned to the Military Construction Subcommittee. Under the subcommittee chairmanship of Lou Nedzi, Pete played a major role in countless MILCON initiatives, many of which we take for granted today. For example, Pete oversaw the upgrade of nuclear weapons storage sites in Europe; the construction of two new Trident submarine bases; the construction of the space shuttle facilities at Vandenburg AFB and Cape Canaveral; the reopening of Fort Stewart and Fort Polk; and the construction of our facilities at Diego Garcia.

With Subcommittee Chairman Jack Brinkley, Pete oversaw the construction of many of our Rapid Deployment Force facilities in Egypt, Morocco and Oman. These facilities are currently supporting the deployment of our forces in Operation Desert Shield.

Finally, under the stewardship of Chairman RON DELLUMS, Pete was involved in improving the quality of life for our soldiers, sailors, airmen and marines.

It was during Pete's years on the MILCON Subcommittee where he earned an almost biblical reputation for fairness with the members.

In 1984, Pete joined the Procurement and Military Nuclear Systems Subcommittee working first for Sam Stratton and then for me. During this time, Pete participated in the oversight of numerous critical acquisition programs. His role in the committee's investigation of the MX missile, the B–1 bomber and most recently the B–2 bomber is legend. Pete was also instrumental in NATO issues. He played an important part in the debates concerning binary chemical weapons and supported the committee's role in the North Atlantic Assembly.

Pete's keen native intelligence, good sense of humor and willingness to make personal sacrifices made his assistance most welcome on any project. It is little wonder that over the years every staff director turned to Pete in difficult circumstances.

On behalf of the Armed Services Committee, the House of Representatives, and the Nation, I want to express our sincere appreciation to Peter Scrivner for his selfless dedication, loyalty, professionalism, and the great contributions he has made to the security of this Nation. We wish him well in his new career.

BAKEHOUSE ARTS COMPLEX: FOURTH ANNIVERSARY CELEBRATION AND OPEN HOUSE

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1991

Ms. ROS-LEHTINEN. Mr. Speaker, on Sunday, February 10, 1991, the Bakehouse Arts Complex, south Florida's largest working visual arts colony, will be celebrating its fourth anniversary. For 4 years, this struggling arts center has provided a home to over 150 of the area's most recognized and emerging artists as well as the Miami Jewelry Institute, "M" Ensemble, Threshold Gallery, Miami, Chapter of Women's Caucus for Art, and Dade County's largest Haitian artists group. This year, they all have much to celebrate.

The 3.2-acre complex now contains 32,000 square feet of studios, classrooms, meeting rooms, and a theater. An open house is conducted every second Sunday of the month to preview the work of those who create—on all types of mediums.

At the conclusion of the gala preview, the gourmet barbecue will aid in funding the third year of the summer hands-on art programs for neighborhood children at risk. This program helps to channel the energies of talented young artists—many of whom from minority groups may be involved with street graffiti gangs—into constructive creativity.

In addition to the summer programs for children at risk, the Bakehouse offers the community a number of hands-on programs. Classes include ceramics, painting, and printmaking. Whether it is conducting tours for community groups, or career days and cultural art days, at local public and private Dade County schools, Bakehouse artists consistently share their talents with the community.

Mr. Speaker, I congratulate all the Bakehouse artists for enriching our community as they do. My special thanks go out to: Helene M. Pancoast, founder and acting director; Faith Atlass, founder; Harriet Rosso, business manager; Sylvia Shaw, bookkeeper; Donna Wilt Sperow, administrative assistant; Maggie Davis, Claire Garrett, and R. Weston Keane, artist committee chairpersons; Davis Packer, educational programs director; Ellen Kempler Rosen, Summer Arts Program director; Jack Hopkins, Joseph Gedeon, Norma Newman, and Connie Renauld, Bakehouse Artists Exhibition Committee.

IN CELEBRATION OF THE CHINESE NEW YEAR

HON. BILL GREEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1991

Mr. GREEN of New York. Mr. Speaker, as my congressional district includes the area of Chinatown in New York City, I am honored to announce that Friday, February 15 marks the beginning of the Chinese New Year. The Chinese year 4689 is the year of the sheep, elegant, creative and passionate.

For the Chinese, the new year is characterized as a time of kindness and goodness to all. "Hear no evil, think no evil, speak no evil," is the dominant theme.

The Chinese New Year is celebrated on the first day of the first month of the lunar calendar. Preparations begin, however, on the 24th day of the 12th Moon, 7 days before the actual new year. Those last few days of the year are set aside for cleaning house, settling debts, and putting aside disputes.

The Chinese community of New York is a source of immense pride to our city, and brings enrichment to the lives of all New Yorkers. It brings me great pleasure, therefore, to join my colleagues in extending my best wishes for a prosperous new year to the Chinese community of New York City and worldwide.

RAMSEY CLARK: TIME FOR SOME TRUTH-IN-PACKAGING

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1991

Mr. BROOMFIELD. Mr. Speaker, it appears that Ramsey Clark, the Ambassador from Greenwich Village, is on another mission to meet with Saddam Hussein.

It is time for a little truth-in-packaging. Being on a mission implies you are being sent by someone. Mr. Clark has not held public office in 22 years. He has no constituency, other than the occasional reporter who is kind enough to give him a little publicity.

Saddam is looking for signs that America is turning against the President. The danger is that the Iraqi leader will take Mr. Clark's mission seriously. That would only prolong the war.

Saddam should know that the American people are fully behind the President and will not back down until Iraq's brutal armed forces are nowhere to be found in Kuwait.

IMPORT SANCTIONS FOR FOREIGN FIRMS FURTHERING NUCLEAR PROLIFERATION

HON. FORTNEY PETE STARK

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1991

Mr. STARK. Mr. Speaker, we are presently engaged in an extremely costly form of nuclear nonproliferation. We have dealt Saddam Hussein a setback to his nuclear weapons program, just as the Israelis did when they bombed the Osiraq reactor in 1981. But are we ready to go to such great lengths again if and when Iraq resumes its efforts, or when other terrorist states such as Iran, Libya, or Syria reach the threshold of a nuclear capability?

Nuclear proliferation is the nightmare of the 1990's; there is no greater threat to our national security. Imagine if Saddam had the bomb. Under such circumstances would we be willing to attack him at all? It would take only one missile or aircraft evading our defenses, and that would be the end of Tel Aviv. More frightening still, Saddam could use his terrorist agents to plant a bomb in New York City or right here in Washington, DC. He could blackmail us into doing almost anything; would we want to call his bluff?

There is no question that we must act now and make nuclear nonproliferation our highest priority. We know from intelligence as well as extensive published reports that Saddam was following the model Pakistan used to build nuclear weapons: A high-speed centrifuge plant for enriching uranium, using equipment, materials, and technology supplied from Western countries. It took 15 years, but the model worked for Pakistan. Today Islamabad can produce enough enriched uranium to build a nuclear weapon. In a few years, they will have an arsenal. Iraq was perhaps 5 years away when Operation Desert Storm started. How much damage we have done to their program is difficult to tell, but we know that, at present, much of the Iraqis' nuclear weapons program rests in their understanding of the technology involved. We can be certain they have blueprints and other weapons design information stored on computer disks hidden safely away, far from their nuclear facilities.

Iraq is, of course, not the only country we need to worry about. Over the last decade, hundreds of Western European companies have supplied crucial items to the nuclear weapons programs in Pakistan, India, Brazil, Argentina, and South Africa in addition to Baghdad. Some of these countries are of less concern now, but new ones will come along. Assad and Khadafi will not want to be left out of the nuclear-terrorism club.

There are a number of ways we can address these concerns. A comprehensive test ban would greatly strengthen the nuclear nonproliferation regime, as would greater support for the International Atomic Energy Agency. I will speak more about these areas in the coming weeks.

But first we must do something to stop Western companies from continuing to assist the nuclear programs in developing countries all over the world. Without German help, Pakistan would not have a bomb today and Iraq would not even have a program. It's not only the Germans, of course. The Swiss, Austrians, French, Italians, and others have contributed their part as well. Our allies simply have got to tighten their export controls.

Today, my colleague Mr. PENNY and I are introducing legislation that will help prod them in the right direction. Under this bill, any foreign firm that the President determines has contributed to another country's nuclear weapons program will have its imports barred from the United States. We have to hit these proliferation profiteers in the only place they care about—the bottom line.

I introduced similar legislation last fall. It has since been altered to make it more closely correspond to the missile technology sanctions passed as part of the defense authorization bill last fall.

Mr. Speaker, I hope we can move quicky with this legislation. If we do not, it is only a matter of time before dictators like Saddam Hussein are threatening the civilized world with the ultimate weapon.

The text of the bill follows:

H.R. —

Be it enacted in the Senate and House of Representatives of the United States of America assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Nuclear Non-Proliferation Enforcement Act of 1991".

SEC. 2. IMPOSITION OF SANCTION.

(a) BASIS FOR SANCTION.—The President shall impose the sanction set forth in subsection (c) on a foreign person if the President determines that such foreign person knowingly—

(1)(A) exports, transfers, or is otherwise engaged in the trade of any nuclear materials and equipment or nuclear technology—

(i) which violates paragraph (4) of section 127 of the Atomic Energy Act of 1954 (42 U.S.C. 2156(4));

(ii) which fails to meet all the criteria set forth in section 127 of the Atomic Energy Act of 1954, except that for purposes of this clause references in paragraphs (4) and (5) of such section to the United States shall be deemed to refer to the exporting country; or

(iii) to any non-nuclear-weapon state that does not meet the requirements of non-nuclear-weapon states that are set forth in section 104(d) of the Nuclear Non-Proliferation Act of 1978 (22 U.S.C. 3223(d)); or

(B) has knowingly or materially contributed—

(i) through the export, transfer, or other engagement in the trade of any goods or technology that are subject to the jurisidiction of the United States and controlled under the Export Administration Act of 1979 pursuant to section 309(c) of the Nuclear Non-Proliferation Act of 1978, because of their significance for nuclear explosive purposes, or

(ii) through the export, transfer, or other engagement in the trade of any goods or technology that would be, if they were subject to the jurisdiction of the United States, controlled under the Export Administration Act of 1979 pursuant to section 309(c) of the Nuclear Non-Proliferation Act of 1978, because of their significance for nuclear explosive purposes.

to the efforts by any foreign country described in subsection (b) to use, develop, produce, stockpile, or otherwise acquire nuclear weapons; or

(2) conspires or attempts to engage in or knowingly assists in an export, or in a transfer or trade, described in paragraph (1).

(b) COUNTRIES RECEIVING ASSISTANCE.—The countries referred to in subsection (a)(1)(B) are—

(1) any non-nuclear-weapon state that the President determines has, at any time after January 1, 1980—

(A) used a nuclear weapon;

(B) tested a nuclear weapon;

(C) produced a nuclear weapon; or

(D) made substantial preparations to engage in any activity described in subparagraph (A), (B), or (C);

(2) any foreign country which has not ratified the Treaty on the Non-Proliferation of Nuclear Weapons and concluded an agreement with the International Atomic Energy Agency for the application of International Atomic Energy Agency safeguards on all the country's nuclear facilities;

(3) any foreign country which has violated such an agreement with the International Atomic Energy Agency relating to safeguards; and

(4) any foreign country whose government is determined for purposes of section 6(j) of the Export Administration Act of 1979 to be a government that has repeatedly provided support for international terrorism.

(c) SANCTION.—The sanction which applies to a foreign person under subsection (a) is that the President shall prohibit, for a period of at least 2 years, the entry into the customs territory of the United States of any article that is the growth, product, or manufacture of that foreign person.

(d) EXTENSION OF SANCTION TO OTHER ENTITIES.—The President shall impose the sanction imposed on a foreign person under this

section on any other entity that controls, is controlled by, or is under common control with, that foreign person.

SEC. 3. ANNUAL DETERMINATIONS BY THE PRESIDENT; APPEAL OF DETERMINATIONS.

(a) DETERMINATIONS.—The President shall, at least once each year, determine which, if any, foreign persons have carried out acts described in paragraphs (1) and (2) of section 2(a). The President shall publish all such determinations in the Federal Register. The President shall impose the sanction required by section 2 upon making such determination.

(b) APPEALS.—Any person who the President determines has carried out any act described in paragraph (1) or (2) of section 2(a), may obtain review of the determination by filing an appeal, within 60 days after the determination is published in the Federal Register, in the United States Court of International Trade, which shall have jurisdiction to review such determination.

SEC. 4. EFFECT OF ENFORCEMENT ACTIONS BY OTHER COUNTRIES.

The sanction set forth in section 2 may not be imposed under such section on a foreign person with respect to acts described in paragraph (1) or (2) of section 2(a), and any such sanction that is in effect against a foreign person on account of such acts shall be terminated, if—

(1) the country from which the export, transfer, or other act originates has in effect laws restricting the export, transfer, or other activity in a manner substantially similar to the restrictions imposed by United States laws or regulations on such exports, transfers, or other acts,

(2) the foreign person is subject to those laws, and

(3) the country has imposed on that foreign person the appropriate penalties pursuant to those laws.

SEC. 5. ADVISORY OPINIONS.

The President may, upon the request of any person, issue an advisory opinion to that person of whether a proposed activity by that person would subject that person to the sanction under section 2. Any person who relies in good faith on such an advisory opinion which states that the proposed activity would not subject a person to such sanction, and any person who thereafter engages in such activity, may not be made subject to such sanction on account of such activity.

SEC. 6. WAIVER AND REPORT TO CONGRESS.

(a) WAIVER.—In any case other than one in which an advisory opinion has been issued under section 5 stating that a proposed activity would not subject a person to the sanction under section 2, the President may waive the application of section 2 to a foreign person if the President determines that such waiver is essential to the national security of the United States.

(b) REPORT TO CONGRESS.—In the event that the President decides to apply the waiver described in subsection (a), the President shall so notify the Congress not less than 20 working days before issuing the waiver. Such notification shall include a report fully articulating the rationale and circumstances which led the President to apply the waiver.

SEC. 7. ADDITIONAL WAIVER.

The President may waive the imposition of the sanction under section 2 on a person with respect to a product or service if the President certifies to the Congress that—

(1) the product or service is essential to the national security of the United States; and

(2) such person is a sole source supplier of the product or service, the product or service is not available from any alternative reliable supplier, and the need for the product or service cannot be met in a timely manner by improved manufacturing processes or technological developments.

SEC. 8. EXCEPTIONS.

The President shall not apply the sanction under section 2—

(1) in the case of procurement of defense articles or defense services—

(A) under existing contracts or subcontracts, including the exercise of options for production quantities to satisfy requirements essential to the national security of the United States;

(B) if the President determines that the person to which the sanction would be applied is a sole source supplier of the defense articles and services, that the defense articles or services are essential to the national security of the United States, and that alternative sources are not readily or reasonably available; or

(C) if the President determines that such articles or services are essential to the national security of the United States under defense coproduction agreements or NATO Programs of Cooperation;

(2) to products or services provided under contracts entered into before the date on which the President publishes his intention to impose the sanction; or

(3) to—

(A) spare parts,

(B) component parts, but not finished products, essential to United States products or production,

(C) routine services and maintenance of products, to the extent that alternative sources are not readily or reasonably available, or

(D) information and technology essential to United States products or production.

SEC. 9. PETITIONS BY INTERESTED PERSONS.

(a) FILING OF PETITIONS.—Any United States person may file a petition, in accordance with regulations issued by the President, requesting that an investigation be conducted to determine whether sanctions are warranted under section 2.

(b) ACTIONS ON PETITIONS.—The President shall conduct an investigation pursuant to a petition filed under subsection (a) if, on the basis of facts set forth in the petition, the President determines that there is a reasonable basis to believe that a foreign person has engaged in any act described in paragraph (1) or (2) of section 2(a).

(c) PETITION DETERMINATIONS.—The President shall, within 20 days after receiving a petition under subsection (a), determine whether to conduct an investigation pursuant to the petition, notify the petitioner of the determination, and publish the determination in the Federal Register, together with the reasons for the determination.

(d) APPEALS.—A person filing a petition under subsection (a) may appeal a determination of the President on the petition by bringing an action for review of the determination in an appropriate United States district court. The court shall review the determination in accordance with section 706 of title 5, United States Code.

SEC. 10. DEFINITIONS.

As used in this Act—

(1) the term "non-nuclear-weapon state" means a non-nuclear-weapon state within the meaning of the Treaty on the Non-Proliferation of Nuclear Weapons, done at Washington, D.C., London, and Moscow on July 1, 1968;

(2) the term "nuclear materials and equipment" has the meaning given that term in section 4(4) of the Nuclear Non-Proliferation Act of 1978 (22 U.S.C. 3203(4));

(3) the term "nuclear technology" means sensitive nuclear technology (as that term is defined in section 4(6) of the Nuclear Non-Proliferation Act of 1978 (22 U.S.C. 3203(6))) and Restricted Data (as that term is defined in section 11 y. of the Atomic Energy Act of 1954 (42 U.S.C. 2014(y));

(4) the term "foreign person" means any person other than a United States person;

(5) the term "United States person" has the meaning given that term in section 16(2) of the Export Administration Act of 1979 (50 U.S.C. App. 2415(2));

(6) the term "person" means a natural person as well as a corporation, business association, partnership, society, trust, any other nongovernmental entity, organization, or group, and any governmental entity, and any successor of any such entity; and

(7) the terms "otherwise engaged in the trade of" and "other engagement in the trade of" mean, with respect to a particular export or transfer, to be a freight forwarder or designated exporting agent, or a consignee or end user of the item to be exported or transferred.

SEC 11. REGULATORY AUTHORITY.

The President may issue such regulations and orders as are necessary to carry out this Act.

A TRIBUTE TO MR. GEORGE T. SCHMINCKE

HON. C. THOMAS McMILLEN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1991

Mr. McMILLEN of Maryland. Mr. Speaker, I rise today to honor a man who has served the people of Anne Arundel County, MD, for 20 years. Mr. George T. Schmincke is a man who has worked diligently and has done so quietly, preferring to accomplish his goals without the fanfare that many others seek in return for their service. In my estimation it is this type of man, a man who seeks to serve without craving public praise, that is truly most deserving of that praise.

Mr. Schmincke began his service to the public in World War II when he served in the U.S. Navy. Through the course of his military career he received a European Ribbon, an American Ribbon, and a Pacific Ribbon with two stars. Twenty years ago, he began active participation with the Anne Arundel Democratic Party. During this time he served in various positions including a member of the Democratic Central Committee of Anne Arundel County from 1974 to 1978, and for 3 years he was chairman of this committee. In 1977 the citizens of the 32d district elected him to the Maryland House of Delegates, and there he served until stepping down in 1990.

Mr. Schmincke is actively involved in a series of community groups which include the Elks, the Knights of Columbus, and the American Legion. He also serves as the president of the Citizen's Democratic Club. For all of these contributions to the citizens of the Anne Arundel community and for his years of unwavering service, Mr. Schmincke truly deserves our praise and thanks.

THE REINTRODUCTION OF A BILL TO MOVE THE COUNTIES OF CULPEPER, LOUISA, AND ORANGE FROM THE EASTERN JUDICIAL DISTRICT OF VIRGINIA TO THE WESTERN JUDICIAL DISTRICT

HON. D. FRENCH SLAUGHTER, JR.

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1991

Mr. SLAUGHTER of Virginia. Mr. Speaker, I rise today to reintroduce a bill which will enhance the access to the Federal courts for some 70,000 residents of the Seventh Congressional District of Virginia. Specifically, the bill will move the counties of Culpeper, Louisa, and Orange from the eastern judicial district of Virginia to the western district of Virginia.

Currently, litigants and lawyers are required to travel some distance to Alexandria or Richmond to access the Federal court. In light of the distance required to attend court, and the traffic and parking problems associated with such travel, there exists a reluctance to use the Federal court. Since these counties, once moved, would be assigned to the Charlottesville division of the western district, travel to a Federal court will be more convenient thereby enhancing utilization of the court.

The bill has the support of the bar associations of the three counties as well as the chief judge of the western district and the resident judge in Charlottesville.

I first introduced the bill late in the 101st Congress, and therefore the House was unable to consider it in the short time which remained in the Congress. However, I look forward to working with the Judiciary Committee to move this bill to enactment and provide the relief necessary for the people of Culpeper, Louisa, and Orange.

A CENTENNIAL TRIBUTE TO THE ARROWHEAD UNITED WAY

HON. JERRY LEWIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1991

Mr. LEWIS of California. Mr. Speaker, I would like to bring to your attention a wonderful celebration on February 15 marking the 100th anniversary of the Arrowhead United Way. This gala provides an opportunity to rejoice in the volunteer spirit that has long been a part of the United Way.

For years, people have joined together to help each other and to strengthen our communities. Our deeply rooted spirit of caring—of neighbor helping neighbor—has become a community trademark and indeed, an American way of life. For 100 years, the Arrowhead United Way has exemplified this spirit of community volunteerism in southern California.

Arrowhead United Way has been a contributing force from its first community-wide fundraising campaign by the Associated Charities of San Bernardino [ACSB] in 1891. Today, more than 30 communities in the San Bernardino Valley and Mountain Area raise funds for 58 caring agencies and assisting literally thousands of people in need. The United Way allows volunteers from all walks of life to address and solve community problems.

The Arrowhead United Way has evolved over the years from the ACSB to the Community Chest in 1922, the War Chest during World War II, and the Bernardino Community Chest and Council in 1954. In 1957, the Arrowhead United Fund [AUF] was born. The AUF consolidated the Community Chest group and 14 other agencies and incorporated seven surrounding communities. That same year, the AUF more than doubled the amount raised by the Community Chest.

In 1966, the AUF consolidated with the Arrowhead Social Planning Council, Valley Volunteer Bureau and Health Foundation to form United Community Services [UCS] of the Arrowhead area. The first million dollar campaign was achieved in 1970.

This phenomenal growth in community-based volunteerism has continued over the years. The Big Bear Valley and Morongo Basin Councils were established in 1977 increasing the number of agencies to 43. By 1983, 51 agencies were conducting 130 funded programs. A year later, Arrowhead United Way achieved its first $2 million campaign. Today, 139 programs are being funded through 58 member agencies and the fundraising goal is now $3 million.

Mr. Speaker, I ask that you join me and our colleagues in recognizing the wonderful work and caring spirit of the Arrowhead United Way. For 100 years, the Arrowhead United Way has been a leader in garnering community spirit and providing for the many needs of our citizens. It is only fitting that we pay tribute to the many men and women who make this valuable work possible.

TRIBUTE TO JAMES C. WATERS

HON. LES ASPIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1991

Mr. ASPIN. Mr. Speaker, I want to take this opportunity as chairman of the Committee on Armed Services to express a warm farewell to Mr. James C. Waters, an extremely capable staff member. For over 36 years, the American people have benefited from Jim's dedicated public service until his retirement on December 31. Aside from enjoying an outstanding reputation for top-notch investigative work, Jim has proven to be invaluable to the committee in his role in oversight of nearly $22 billion in annual budget authority for the Air Force's operations and maintenance account, the lynch-pin of the Air Force's capability to respond to threats to our national security.

Jim came to the committee in 1980 well-qualified for the tasks he so energetically pursued. Jim graduated in 1958 from Hofstra University with a bachelor's degree in business administration. His educatiion was put to many tests as he worked with the General Accounting Office, the Senate Committee on Labor and Education, the House Agriculture Committee and the Surveys and Investigations Staff of the House Appropriations Committee. He participated in countless investigations including the Billie Sol Estes fraud cases of the 1960's and probes of union corruption. He was a key player in major investigations by the Armed Services Committee including the 1983 bombing of the Marine Corps barracks in Beirut, and the circumstances surrounding the movement of President Ferdinand Marcos from the Philippines to the United States.

We have had the benefit of Jim's talent and hard work on many other issues critical to our national security, including oversight of the enormous defense supply and logistics system and the base operations and logistics systems for the Armed Forces. It is in these areas where his knowledge, understanding, and genuine concern were most evident and often resulted in major defense management reform legislation. It is this day-to-day oversight of these areas that the public is most indebted to this devoted American.

Jim's intellect, sincerity, sense of humor and good fellowship have earned him the respect and affection of all the committee Members and staff colleagues.

The chairman, Members, and staff of the Committee on Armed Services are extremely grateful to Jim Waters for his contributions to the committee, the Congress and to the national security of the United States.

TRIBUTE TO THE EPILEPSY FOUNDATION OF SOUTH FLORIDA

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1991

Ms. ROS-LEHTINEN. Mr. Speaker, I would like to take this opportunity to share with you a truly disturbing fact. Today, more than 2 million Americans suffer from a diagnosed disorder of the central nervous system known as epilepsy and south Florida is no exception.

Epilepsy does not discriminate. The recurring seizures caused by this disorder which can strike any age group at any time have been a mystery to scientists for years. Recently, though, progress in research has defined a clearer picture for doctors in the field.

Thankfully, we in south Florida are fortunate to have an affiliate of the Epilepsy Foundation of America, the Epilepsy Foundation of South Florida [EFSF], as part of our community to help assuage the needs of those who could not otherwise obtain treatment and/or support. Founded in 1971, EFSF "is a nonprofit organization dedicated to enhancing the personal and social adjustment of individuals with epilepsy and their families," through medical services, education programs, support group and family assistance, rights advocation, and ensuring the community provides necessary support services. EFSF's two medical clinics, Children's Comprehensive Epilepsy Clinic at Miami Children's Hospital, and the Adult Comprehensive Epilepsy Clinic at Jackson Medical Towers provide low cost or free services to over 700 adults and children who could otherwise not afford treatment. They are funded through grants given to the foundation by the State of Florida's Department of Health and Rehabilitation Service and Dade County and

they are staffed by University of Miami interns and fellows. It makes me proud to be a board member of such a rewarding cause.

On March 2, 1991, EFSF will be holding their Candlelight Ball and Auction at the Doral Beach Resort in Miami Beach, FL. The event will honor Wendle and Linda Ray—Robert Laidlaw Humanitarian Award, Debora Jeanne Saunders—Helping Heart Award, Jean Schomber—Gladys Wyatt Shining Light Award, Gail P. Ballweg, M.D.—Medical Service Award—and the Dade County Public Schools—Employer of the Year Award.

Mr. Speaker, I would like to recognize those people who make this organization possible. The officers include: Lewis B. Freedman, president; Barbara Carey, first vice-president; Don L. Bendar, second vice-president; Theodore Silver, secretary; and Enrique Lopez, treasurer. The members of the board include: Gail P. Ballweg, M.D., James Champion, Hon. John F. Cosgrove, Emily Cummings-Powel, Patricia Dean, RN,BSM,CNRN, Bruce Foreman, Ph.D., Lawrence S. Foreman, Mark Hirschberg, Valerie Jonas, Muriel Kaye, Michael Kosnitzky, Sheila Logue, Linda Lubin, Michael Mills, Peter McKinney, Robert Rochfort, VMD, Pat Rose, Ed Staffer, Richard Tonkinson, Andrew Tramont, and Hon. Carlos Valdes.

GREER SPRING

HON. WILLIAM (BILL) CLAY

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1991

Mr. CLAY. Mr. Speaker, I have introduced legislation to enable the Federal Government to acquire one of Missouri's most spectacular natural sites, Greer Spring. H.R. 472 would amend the Wild and Scenic Rivers Act by changing its boundaries to include the entire 6,900-acre Greer Spring tract.

Greer Spring, in Oregon County, is Missouri's second largest spring, furnishing almost half of the water of the Eleven Point River. The nearly 7,000 acres of wild, natural land surrounding the spring has been in the ownership of the Dennig family for almost 100 years. The unspoiled natural beauty of the Greer Spring site makes it a genuine national treasure and worthy of Federal protection under the Wild and Scenic Rivers Act.

Prior to the passage of the Wild and Scenic Rivers Act, the entire Greer Spring tract was included by the Forest Service in the Eleven Point River Scenic Area. However, the subsequent enactment of the Wild and Scenic Rivers Act established certain acreage limitations which meant that only 2,500 acres of the Greer Spring tract could remain in the Eleven Point corridor. H.R. 472 will amend the Wild and Scenic Rivers Act to include the entire 6,900-acre tract in the Eleven Point Wild and Scenic River corridor, thus enabling the Forest Service to acquire the land.

For many years conservationists from across the southern Midwest have worked to insure that the Dennig family's legacy of protection for this land be continued for the benefit of future generations. Funding has already been appropriated from the Land and Water Conservation Fund to allow the Federal Government to acquire the Greer Spring tract and maintain it for public use and enjoyment.

In the last session of Congress, legislation was offered which would have allowed the Federal Government to acquire the Greer Spring site. However, most of the land would have been excluded from the Wild and Scenic River corridor and therefore would have been subject to commercial logging, road building, and mineral exploration. The owners of the property expressed concern that this legislation might result in the degradation of the scenic and natural values which have been so carefully preserved since the turn of the century. Because the owners were unwilling to sell this property on terms that would risk commercial exploitation, the legislation died in the 101st Congress and the future of Greer Spring remains in doubt.

H.R. 472 is offered as a compromise which satisfies the owner's concerns about continued environmental protections by placing the Greer Spring tract in the Wild and Scenic River corridor. At the same time, the standards for management of the property will be left to the discretion of the Forest Service, within the general limitations of the Wild and Scenic Rivers Act.

A CENTURY OF MUNICIPAL FINANCE

HON. BILL GREEN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1991

Mr. GREEN of New York. Mr. Speaker, I should like to share with my colleagues the comments of my constituent, Glen R. Sergeon, managing director of Citibank Securities Markets, Inc. It is my hope that you find Mr. Sergeon's statement regarding the future of the municipal bond market of interest. The text of his remarks given before the panel, "A Century of Municipal Finance," follow:

STATEMENT BY MR. GLEN R. SERGEON

It's a pleasure, as a member of this panel, to have the opportunity to offer my view of the future of the municipal finance business.

To tackle that question, I decided to look at the municipal finance business as two parts.

First, there's the traditional business of municipal finance.

Second, there are the new derivative products. I'm speaking, of course, of interest rate swaps, caps, collars, and other innovative instruments.

I think you'll agree that traditional underwriting of municipal borrowings and the business of providing derivative products for financings are two very different activities.

In terms of predictions, the outlook for profitability in the traditional municipal finance business is not significantly different than today's markets for junk bonds, precious metals, or the thrift industry, except that our recession has lasted for four years, and no respite is in sight.

The providers of the traditional, relationship-driven services are fighting each other for business virtually every day.

In the competitive sector, they're battling for underwriting business that's marginally if at all profitable. Meanwhile, in the negotiated area, clients are often dictating the final compensation awarded to the winners.

That's hardly a healthy earnings outlook.

Our industry has been slow to correct for excess capacity. Those conducting the traditional business municipal finance are spending scarce capital on large expense bases, on which the returns are likely to remain poor for some time.

But there are reasons to be optimistic. The municipal finance industry appears to be moving quickly towards a modernization of some products and services.

This move is driving the expansion of the second segment of the municipal finance industry: Derivative products.

Derivatives have become the industry star. They offer a source of real, consistent profit. Naturally, everybody wants in.

But the risks in derivative products are considerable.

And by far, the most critical of these is the long-term, contractual risk assumed by entering into an ongoing relationship with a counterparty.

It is a risk that runs counter to much of our industry culture and standard operating procedure.

Typically, after satisfying current disclosure requirements, traditional underwriters may be able to overlook some poor management, or inadequate basic services, or bankrupt social policies of some state and local governments.

But as the merchant banking trend spreads into municipal finance, we must look much more closely at our customers and their long-term viability.

It's an assessment we must make if we are going to become their counterparties.

It will become the norm for a provider of derivatives to ask such basic questions as:

Are your streets safe?

Does your city's infrastructure support a high quality of life?

Can the average family send its children to your public schools?

If the answers are "No"—as all too often they are—then the viability of the municipality is questionable and access to the money-saving opportunities offered by derivative products will be limited.

As a result, municipalities that need the savings most may be least able to access them.

In short, as municipal finance firms act more-and-more like merchant bankers, they must look at an issuer counterparty with even greater scrutiny than an investor does.

The reason is obvious. An investor in bonds can revise his strategy and opt to sell. However, selling a tax-exempt swap is not so easy.

Issuers are also affected. In the traditional environment, a municipality sells bonds, collects its proceeds and pays its regular debt service.

But, complicated, long-term derivative financings require complicated, long-term contractual relationships.

These kinds of long-term relationships are prompting issuers to ask about us, too.

They ask about our LDC debt, our loans to highly leveraged corporations, and our real estate portfolio. That's a new experience for us.

In summary, this panel was assembled to predict the shape of the municipal market to come.

If we're talking about traditional municipal finance, the answer is an easy one.

As the recession in the traditional business continues, salaries will continue to fall, layoffs will continue to occur, and profits will

be squeezed—until, eventually, some balance will return to the industry.

Derivative products represent the source of optimism for us. At Citicorp, we have centered our entire municipal finance effort around derivatives.

But the twin promise of derivative products:

A promise of profitability for the industry; and, a promise of cost savings for issuers; will only be realized by financially-sound counterparties who successfully identify and manage these new long-term risks.

THE MIDDLE EAST CRISIS AND THE FISCAL YEAR 1992 MILITARY BUDGET

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1991

Mr. FRANK of Massachusetts. Mr. Speaker, under the budget agreement adopted last year, there is no question about the flow of funds for the current military operation in the Persian Gulf. Whatever debate takes place on the policy aspects of that operation, the flow of funds which the military deems necessary for the mission it has been given is guaranteed by last year's budget agreement.

The problem that I and others see is the effort by some to use the current war in the gulf as a reason to reverse the policy on which we sensibly began last year of reducing military expenditures over the long haul. That is, there are two separate budgetary questions now facing us. One is the need to pay for Desert Storm. There is no debate in the Congress about the need to pay for it—we will differ among ourselves on how much of these funds should come from elsewhere in the Pentagon, and how vigorously the administration should be pressing our allies who are the beneficiaries of our military action. But no one is moving to deny funds for this effort, since it was authorized by majority votes of both Houses of Congress.

The serious military budgetary debate on which will be soon launched has to do with the great bulk of the military budget which has nothing to do with Desert Storm. And here there is a very grave danger that those who have always been advocates of excessive military spending will try to use Desert Storm in various ways to bolster their arguments. As of now, an examination of the facts lends no support to the argument that those of us who have been pushing for reductions in military spending during the 1980's were incorrect. Specifically, our criticisms of SDI, the MX, and Minuteman missiles, the stealth bomber and the placement of large American forces in Western Europe, Japan, and South Korea are wholly unaffected by what is going on in the gulf. The weapons that are proving useful in the gulf are not the weapons which many of us sought to strike from the budget during the 1980's. The fact that we have large numbers of troops in Western Europe and South Korea not only does not help our deployment into the gulf, it continues to hinder that deployment by competing for scarce resources of men and women and material. The troops we have stationed in Japan and South Korea make absolutely no contribution whatsoever to our concerns in the gulf—nor to anything else except the economies of Japan and South Korea.

Among the organizations that has done an excellent job in trying to draw necessary distinctions between the activities in the gulf and other questions involving the military budget is the Council for a Livable World. During the 1980's, I have been pleased to be able to work with the council in seeking to scale down excessive military spending, especially in the past couple of years when the demise of the international Communist military threat has been so clear. The council has recently issued a series of talking points which underlines the continued relevance of our insistence on reducing the great bulk of the military budget which was instituted to meet that Communist military threat, and I ask that some of these points be printed here.

THE MIDDLE EAST CRISIS AND THE FISCAL YEAR 1992 MILITARY BUDGET

SOME USEFUL TALKING POINTS

1. Under the 1990 budget agreement, the extra military costs associated with Desert Shield and Desert Storm will be counted in a budget category separate from the anticipated $291 billion Bush Administration military budget request.

2. The substantial portion of the military budget devoted to support NATO and to oppose the Soviet military threat can still be substantially reduced. The Pentagon estimated that up to 60 percent of its total budget—about $170–$180 billion—was oriented towards a European mission. While the Soviet Union has adopted more repressive internal policies, the Warsaw Pact has collapsed as a military alliance and the two Germanies have united under the NATO banner.

3. The segment of the budget spent on strategic nuclear programs—some 12 percent to 15 percent—can be pared back. There is no reason to move to a new generation of land based strategic nuclear missiles. A B–2 stealth bomber at $865 million a copy makes no sense for a conventional role in third world contingencies. The F–117 stealth fighter/bomber, on the other hand, is already performing well. Brilliant Pebbles and other strategic defense initiative technologies are irrelevant to the Middle East.

4. The need to transport quickly personnel and supplies to the Middle East highlights the requirement to make policy choices within the military budget. It is evident that transport planes and fast-sealift ships have a critical role to play in third world conflicts. The Marine Corps pre-positioned ship have been a great success in the Middle East war. In general, though, the Pentagon has starved lift capacity in favor of more glamorous systems. Heavy weapons designed to counter the Soviet threat should be de-emphasized. Weapons choices should be redirected to systems easier to transport. The U.S. could build many ground support or fighter aircraft for the price of one super-sophisticated B–2 designed to evade Soviet air defenses (over 40 F–16 Falcons for the price of one B–2). Minesweepers have also been neglected.

5. The Pentagon should not use the Middle East crisis to evade the sound "fly before buy" management principle. Defense Secretary Cheney, to his credit, emphasized that concept to guide his decision to terminate the A–12 aircraft due to cost overruns and excessive concurrency between development and procurement and cost overruns. A weapons program suffering technical difficulities before the crisis should not be rushed ahead at a higher ultimate cost.

6. The federal budget deficit represents a grave national problem requiring further military budget cutbacks. Immediately before war broke out, the Administration estimated on January 7, 1991, that the federal budget deficit for fiscal year 1991 would climb to between $300 and $325 billion—excluding Desert Shielf and the Social Security surplus. The U.S. thus will have the largest deficit in history despite the painful budget agreement negotiated last year.

7. Protecting U.S. national security means more than spending money on Pentagon weapons programs. Helping Eastern Europen countries to make the transition from communism to democracy is a productive national security expenditure. So too would be renewing our economic competitiveness, nurturing the technology of the future, strengthening our health care and education systems, rebuilding the infrastructure of the country and adopting an energy policy to lessen our dependence on Middle East oil.

SOME IMPORTANT DISTINCTIONS TO MAKE

1. It is necessary to separate B–2 stealth bomber—unused in the Middle East—from F–117 stealth fighter/bomber heavily engaged in combat.

2. It is necessary to separate Patriot and Arrow anti-missile systems designed to destroy tactical or theater missiles from SDI, primary designed to build a nationwide defense against long-range missiles.

3. While conventionally-tipped Tomahawk sea-launched cruise missiles have been successfully used in the Middle East, the nuclear-tipped ones are irrelevant there and remain a danger to future arms control agreements.

WHAT SYSTEMS HAVE BEEN GIVEN A BOOST BY THE MIDDLE EAST WAR?

Smart weapons.

Patriot air-defense missiles, which have knocked down many scud missiles.

Conventionally armed sea-launched Tomahawk cruise missiles, which apparently were successfuly fired from ships early in the war.

Cargo aircraft and ships designed to move quickly troops and weapons to a trouble spot.

Pre-positioned ships.

Chemical weapons defensive clothing and equipment, antidotes, vaccines.

Intelligence satellites and other intelligence-gathering systems.

Electronic warfare planes designed to jam enemy radar and other communications, such as the Navy's EA–6B, the Air Force's EF–111A and the Air Force F–4G Wild Weasel.

WHAT SYSTEMS HAVE BEEN LEFT LAGGING IN THE CURRENT WAR?

The B–2 stealth bomber. Although the news media frequently confuse the stealth fighter F–117 with the B–2 bomber, they are different planes. The B–2 is designed to hit Soviet targets. It is noteworthy that the B–2's predecessor, the B–1 bomber, has not been used in the current conflict.

Other strategic nuclear weapons such as the MX rail garrison mobile system and the Midgetman fade into irrelevancy. Expensive nuclear weapons designed to deter a Soviet nuclear attack are becoming dinosaurs.

The troops and weapon systems deployed in Europe. While up to 70,000–90,000 American troops have been redeployed from Europe to the Middle East, there are still over 200,000 troops there and many weapons. Moreover, it may be the intention of the Pentagon to try

to redeploy U.S. troops in Europe after the Middle East conflict is over.

While conventionally-tipped Tomahawk missiles have been successfully deployed, the U.S. could eliminate all nuclear-tipped Tomahawks.

Expensive new aircraft and ships, when a less expensive alternative may be to improve the current generation of platforms by adding upgraded electronics.

Troops and weapons in Japan, South Korea, and the Philippines.

A TRIBUTE TO MR. BILL HUGGINS

HON. C. THOMAS McMILLEN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1991

Mr. McMILLEN of Maryland. Mr. Speaker, I rise today to pay tribute to a man whose presence in the law enforcement community has been an asset to the State of Maryland for many years. Mr. Bill Huggins served as the sheriff of Anne Arundel County for 28 years and during that time developed a unique role for himself as a community leader.

Mr. Huggins has been an active and committed law enforcement officer. He is involved in many community organizations in the county. Statewide, his influence has been felt as the two time president and two time director of the Maryland State Sheriff's Association. Both he and his wife, a longstanding deputy, have long been known for their professionalism. From the onset of his tenure, Mr. Huggins has emphasized first class police officer training both for himself and for his officers.

When in 1980, Mr. Huggins was voted Sheriff of the Year in Maryland, it was not only because of his professionalism in law enforcement, but also for his leadership in the community. For example, he helped found the Maryland State Sheriff's Boy's Ranch and was one of its first contributors. Now, it is with great appreciation that I offer this tribute to Mr. Bill Huggins.

CITY OF MEMPHIS SUPPORTS THE PRESIDENT AND OUR TROOPS

HON. DON SUNDQUIST

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1991

Mr. SUNDQUIST. Mr. Speaker, a few weeks ago we debated the crisis in the Persian Gulf and the very real issues of war and peace. This was not a debate limited to this Chamber and to these members. It was a debate engaged by citizens all across our land.

In my hometown of Memphis, TN, the city council debated the question and then voted unanimously to endorse a resolution offered by my friend, Councilman A.D. Allissandratos. It is a resolution supporting the President and supporting our troops in the gulf, and I request that it be entered into the CONGRESSIONAL RECORD.

CITY COUNCIL RESOLUTION

Whereas, in these last remaining hours of this Nation's emergency crisis and its fervent hope for peace, the City of Memphis must join with the Nation to go on record in support of President Bush and our military forces and his ultimatum of January 15, 1991, for Saddam Hussein to withdraw his military forces from the country of Kuwait to avoid military conflict in the Persian Gulf.

Now, therefore, be it resolved by the Council of the City of Memphis, That the Council go on record as condemning the acts of Saddam Hussein in the suppression of an independent nation, and wholeheartedly supporting President George Bush in the ultimate action which must be taken to free Kuwait from military aggression imposed by Iraqi forces of Saddam Hussein.

Be it further resolved, That the Memphis City Council does earnestly hope and pray for a peaceful solution to this crisis and for the quick and safe return of all American military forces.

Be it further resolved, That copies of this Resolution be forwarded to President George Bush; Secretary of State James Baker; Senators Jim Sasser and Albert Gore; and U.S. Representatives James H. Quillen, John J. Duncan, Jr., Marilyn Lloyd, Jim Cooper, Bob Clement, Bart Gordon, Don Sundquist, John Tanner, and Harold Ford, as the city's official record supporting such action.

THE CONGRESSIONAL PAY RESOLUTION ACT OF 1991

HON. JON L. KYL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1991

Mr. KYL. Mr. Speaker, I rise today to introduce the Congressional Pay Reduction Act of 1991.

Mr. Speaker, a year and a half ago the House of Representatives was faced with a choice between increasing its pay and enacting significant ethics reforms, or doing neither. The choice was all or nothing. Many of us ultimately voted for the package because we believed that the ethics reforms—the ban on honoraria and the repeal of the grandfather clause to name a few—were too important to lose. Still, we were uneasy about how much and how fast Members' pay rates were to be increased.

The legislation did defer the raise until after the election had intervened and the voters had had a chance to tell us whether or not we were worth it and should serve another term. Our constituents have since elected us with the knowledge of how each of us voted on the pay raise, and how much we would be making when this new session convened.

But, that does not mean they are not still mad, or that they are not demanding that the raise be repealed or reduced. The size of the raise continues to be troubling to them and to many in the House, particularly with the Federal budget deficit soaring out of control.

Congress not only needs to get serious about the deficit, but it also has to do its part. Rolling back a portion of the pay raise will force us to bear some of the same sacrifice we are asking of other Americans.

When the House originally took up the pay raise, and in the many months since then, many people asked why the raise had to be so large? Why could not we live with the same raises that Social Security recipients receive every year?

Mr. Speaker, that is what I am proposing today, that we roll back the pay raise for Members of the House to the levels that would apply had the Congress received the same COLA as Social Security recipients since 1980. Had the Social Security COLA applied, House Members' pay would amount to $110,000—about $15,000 or 12 percent less than the $125,000 that was approved. I think that is fair.

The Congressional Pay Reduction Act will not affect the important ethics reforms that were enacted a year and a half ago and which were originally linked to the pay raise. The ethics reforms have to remain in place. I think the American people will demand no less.

I would note that the pay levels provided by my bill represent an adjustment for inflation, not a raise based on real or perceived merit. We should think of that only when the House has done its job with respect to the deficit.

Mr. Speaker, I insert the bill in the RECORD at this point, and I ask for my colleagues' support:

H.R. —

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Congressional Pay Reduction Act of 1991".

SEC. 2. PAY REDUCTION.

(a) IN GENERAL.—Effective with respect to service performed during any pay period beginning after the 30th day following the date of the enactment of this Act, and until thereafter adjusted by or in accordance with law, the annual rate of pay for—

(1) a Member of or Delegate to the House of Representatives, and the Resident Commissioner from Puerto Rico, shall be $110,000;

(2) the majority leader and the minority leader of the House of Representatives shall be $125,000; and

(3) the Speaker of the House of Representatives shall be $144,000.

(b) HONORARIA AND RELATED MATTERS UNAFFECTED.—Nothing in subsection (a) shall be considered to constitute a repeal of any provision of section 703 of the Ethics Reform Act of 1989 for purposes of section 603 or section 804(f) of such Act.

INTRODUCTION OF THE GRAND CANYON PROTECTION ACT OF 1991

HON. JOHN J. RHODES III

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1991

Mr. RHODES. Mr. Speaker, today I am introducing legislation similar to that passed but was not finalized by the House and Senate during the 101st Congress, to protect the resources of the Grand Canyon.

This is important legislation which Members of the Arizona congressional delegation helped to craft last year. My hope is the House Interior Committee will act quickly and separately on this legislation so it can be signed into law as soon as possible. The following is an analysis and explanation of the legislation.

GRAND CANYON PROTECTION ACT OF 1991
Section-By-Section Analysis/Explanation

Sec. 1. Provides that the short title of the bill is the "Grand Canyon Protection Act of 1991".

Sec. 2. Directs the Secretary of the Interior to operate Glen Canyon Dam and to exercise other authorities under existing law to protect, mitigate adverse impacts to, and improve the values for which Grand Canyon National Park and the Glen Canyon National Recreation Area were established, including natural and cultural resources.

The Secretary's actions would be undertaken in accordance with the additional criteria and operating plans specified in Section 4 and would be subject to and consistent with the Secretary's responsibility to fulfill allocations of Colorado River water, as set forth in the various compacts, treaties, laws, and decrees which comprise the "Law of the River". This bill is not intended to in any way affect the Secretary's existing authorities and responsibilities regarding Grand Canyon National Park and the Glen Canyon National Recreation Area, nor in any manner affect statutory provisions governing the management of those units of the National Park System.

The section affirms that the Secretary's responsibilities for water storage, allocation, and delivery under the Law of the River are primary responsibilities and control the Secretary's actions under this legislation.

Although the primary purpose of this legislation is to affect changes in the operations of Glen Canyon Dam, the bill acknowledges that the Secretary may "exercise other authorities under existing law" and that he may consider and implement nonoperational measures to mitigate downstream effects of Glen Canyon Dam power operations.

Sec. 3. Directs the Secretary to develop an interim power operating plan and implement it as soon as the current research flow program is completed, but not later than September 1, 1991.

Throughout this Section, the phrase "minimize to the extent reasonably possible" appears. This wording is intended to provide a "reasonableness" test to any action the Secretary may take to "minimize" the adverse impacts of the power operations.

Sec. 4. Directs the Secretary to complete the Glen Canyon Dam Environmental Impact Statement (EIS) within three years, and directs the Comptroller General of the United States to audit the costs and benefits of various alternative management policies and operational procedures identified in the EIS.

Subsection (c) directs the Secretary to adopt criteria and prepare annual plans, separate from and in addition to those described in section 602(b) of the Colorado River Basin Project Act of 1968, that will, together with the exercise of authorities under existing law to ensure that Glen Canyon Dam is operated to protect downstream resources, consistent with the water supply and storage requirements identified earlier in the bill.

Subsection (d) requires the Secretary to submit to Congress, the EIS and a report describing the additional operating criteria and other reasonable mitigation measures taken to protect downstream resources.

Sec. 5. Directs the Secretary to prepare a long-term monitoring and research program to determine the effects of Glen Canyon Dam operations and other measures taken by the Secretary, pursuant to this legislation, on the downstream resources of Grand Canyon National Park and the Glen Canyon National Recreational Area.

Sec. 6. Is a savings clause to affirm that nothing in this legislation is intended to affect in any way the allocations of water secured to the Colorado River Basin States by the Law of the River. Nor does this bill in any way affect any federal environmental law, including the Endangered Species Act (ESA), as amended, and the National Environmental Policy Act (NEPA).

Sec. 7. Provides that the Secretary shall consider to be non-reimbursable, the costs of the EIS, including the purchase of replacement energy necessitated by the research flows, and the costs of the long-term monitoring program. The Secretary is authorized, however, to use power revenues to pay such costs, but he must first credit those revenues against CRSP power customers' repayment obligations.

This section does not provide that increased power costs, if any, which may follow implementation of the criteria promulgated under Section 4, will be considered non-reimbursable, nor does this section apply to costs associated with the Glen Canyon Environmental Studies (GCES), Phase I.

Sec. 8. Authorizes such sums as are necessary to carry out the provisions of this Act.

ADDITIONAL DISCUSSION OF SECTION 7 NON-REIMBURSABLE COSTS

Section 7 attempts to share the cost burdens of the environmental research and long-term monitoring programs the bill sets in place;

Power customers are not the only beneficiaries of the Glen Canyon Dam; thus, power customers should not be asked to pay the full burden, as the bill without Section 7 would do.

The EIS imposed on the operations of Glen Canyon Dam is a national mandate, the costs of which should be shared by everyone—not power customers alone.

Section 7 asks only for broader support for paying for the EIS and the long-term monitoring provisions.

All that is made non-reimbursable are the costs of the EIS, including supporting studies, the additional power costs during the Research Phase which is now underway, and the costs of the long-term monitoring.

Power customers have already paid for the nearly $7 million cost of the Glen Canyon Environmental Studies (GCES) since 1982.

Power customers will pay for additional power costs incurred during the interim flow period and for the purchase power costs that are likely to result after the EIS is completed.

Power revenues will be used to pay for the environmental costs mandated by the bill, but the Secretary is required to first credit those revenues against the power users' capital repayment obligations.

WHAT SECTION 7 DOES NOT DO:

It does not require the BuRec to get an appropriation of funds to continue the EIS or the underlying studies. To assure a timely and adequate source of funds, the bill authorizes the use of power revenues, but specifies that those revenues must first be credited against the power users' repayment obligation. There will be no delay in getting the funds needed for the EIS or the research programs. Power interests want these studies to stay on schedule and are willing to support the use of credited power revenues for this purpose.

(The House of Representatives approved a similar crediting of power revenues before they were used for environmental mitigation purposes associated with the Central Utah Project.)

It does not require an appropriation of funds for the long-term monitoring and research program that will continue after the EIS is completed. Again, power interests are willing to support the use of credited power revenues for this purpose.

It does not relieve power users of the costs of the GCES Phase I studies. Those studies have resulted in costs of over $7 million and have already been paid by power customers and will remain as a cost to power users.

It does not relieve power users of replacement power costs necessitated by interim flows. The interim flow regime mandated during the EIS will require the Western Area Power Administration (WAPA) to purchase more costly replacement power, the costs of which will be borne by power users.

It does not relieve power users of replacement power costs that are likely to result from changes in power operations at Glen Canyon Dam. Those changes will require WAPA to purchase more costly replacement power, the costs of which will be passed on to power users.

SECURITIES REGULATORY EQUALITY ACT OF 1991

HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1991

Mr. DINGELL. Mr. Speaker, today Mr. LENT, Mr. MARKEY, Mr. RINALDO and I are introducing the Securities Regulatory Equality Act of 1991 to amend the Federal securities laws to equalize the regulatory treatment of participants in the securities industry. I am authorized to say on their behalf that the leadership of the Committee on Energy and Commerce intends that this legislation provide a strong and responsible framework for functional regulation to strengthen taxpayer and investor protections in the wake of recent decisions allowing banks to expand their securities activities. This legislation is a priority.

Our bill would require banks engaging in securities activities to place those activities in a separate affiliate, which would register with the Securities and Exchange Commission as a broker-dealer and be subject to securities laws and regulations just like any other participant in the Securities business. It would also repeal anachronistic exemptions from SEC registration and reporting enjoyed by banks.

In 1933, when the Federal securities laws and the National Banking Act were passed, the latter excluded banks from the securities business, with the exception of certain very limited activity incidental to the banks' traditional trust activities. Therefore, regulatory coverage of banks under the Federal securities laws was deemed unnecessary, with the exception of the antifraud provisions. Erosion of the legal barriers between the two industries has rendered this lack of regulatory coverage contrary to the public interest.

The Federal Reserve Board's orders authorizing J.P. Morgan, Bankers Trust Co., Royal Bank of Canada, and Canadian Imperial Bank of Commerce to underwrite equity securities, and modifying the operative firewalls based on bank competition, convenience and efficiency rather than safety and soundness—see September 1989 order, p. 14—underscore the de-

gree to which Congress has taken a back seat in the setting of this Nation's financial services policy. Irrespective of whether comprehensive reform occurs in the immediate future, we must recognize that the securities powers granted by the banking regulators require the immediate imposition of statutory safeguards to avert harm to investors and cost to taxpayers.

The impromptu acts of the regulators have been at odds with sound public policy and have needlessly exposed our system of federal deposit insurance to additional risks. By allowing certain securities activities to be conducted within the depository institution, they have in effect exposed the bank—and, by extension, the insurance fund—to the risks of the securities business. At the time of record losses in the securities industry, record bank failures, and uncertainty about the application of the "too big to fail" doctrine, the status quo has become unacceptably risky to the American public.

Although banks have dramatically expanded their brokerage activities and are poised to enter more fully the investment advice arena, the Securities and Exchange Commission is presently powerless to regulate them as either broker-dealers or investment advisers. Right now, neither banks nor S&L's have to register as such with the SEC. They are also exempted from the registration and reporting requirements of the Federal securities laws when they offer their own securities to the public. Finally, they are not subject to the sales practice rules that are critical to the protection of investors. Clearly, the securities activities of banks fall between the cracks in our regulatory system. That is of particular concern when taxpayers confront a $500 billion tab for the savings and loan crisis, thanks largely to inadequate regulation.

The lack of proper regulation not only causes substantial potential regulatory disparities, but presents grave potential danger to investors, who may well assume that a security sold to them by a bank is federally insured. S&L organizations such as Lincoln Savings and Loan and its parent, American Continental [ACC], actively exploited this confusion. Lincoln employees sold junk bonds in its parent company to unsuspecting depositors who assumed or were misled into believing that the bonds were insured or that they were safe because they were sold by an insured institution. Many of those depositors were elderly retirees who placed their entire life savings in these now worthless bonds on that mistaken assumption. The SEC did not have authority to prohibit the sale of ACC securities on the premises of Lincoln because the persons engaging in the sales effort were not required to register as brokers under the Exchange Act. Our bill will end that regulatory gap. It is our hope that we are never again in the position where regulatory failures cost the public so dearly.

I encourage my colleagues to support this legislation when we bring it to the floor of the House.

DESCRIPTION OF THE LEGISLATION

TITLE I—REGULATION OF SECURITIES ACTIVITIES OF DEPOSITORY INSTITUTIONS

Part A—Broker-dealer provisions

Section 101 (Definition of Broker) amends the definition of "broker" in section 3(a)(4) of the Securities Exchange Act of 1934 (Exchange Act) to include banks, with certain specified exceptions. A bank that falls within the definition of "broker" would have to conduct its brokerage activities in a nonbank subsidiary or affiliate, registered with the Securities and Exchange Commission (SEC) and subject to SEC regulation (see section 104) unless otherwise exempted (see sections 103 and 104).

There are two important exceptions. Activities falling within the exceptions could still be conducted in the bank subject to regulation by the appropriate bank regulator. These exceptions permit: (1) most fiduciary securities activities, if the bank does not publicly solicit brokerage business or receive commissions or similar transaction-based compensation (excluding fees calculated as a percentage of assets under management); and (2) transactions in exempted securities (other than municipal securities), commercial paper, bankers' acceptances, and commercial bills.

Section 102 (Definition of Dealer) amends the definition of "dealer" in section 3(a)(5) of the Exchange Act to include banks, with certain specified exceptions. The initial exception is for a person who purchases and sells securities for his own account, either individually or in some fiduciary capacity, but not as part of a regular business. This restates existing law. Two additional exceptions are added: (1) a bank that purchases and sells commercial paper, bankers' acceptances, commercial bills, or exempted securities other than municipal securities; and (2) a bank that purchases and sells securities for investment purposes for the bank or for accounts in which the bank, acting as trustee, is authorized to determine the securities to be purchased or sold.

Section 103 (Power to Exempt from the Definition of Broker and Dealer) amends section 3 of the Exchange Act to add a new subsection (e) authorizing the SEC to exempt any person or class of persons, conditionally or unconditionally, from the definitions of "broker" or "dealer" if such exemption would be consistent with the public interest, the protection of investors, and the purposes of this title.

Section 104 (Bank Securities Activities in a Separate Corporate Entity) amends the general registration requirement for brokers and dealers under section 15(a) of the Exchange Act to prohibit a bank from becoming a broker or dealer, except on an exclusively intrastate basis. This change is intended to require banks that come under the revised definitions of "broker" or "dealer" in the Exchange Act to create a separate affiliate or subsidiary to perform these securities activities. The SEC, consistent with the public interest and the protection of investors, may conditionally or unconditionally exempt any broker or dealer or class of broker or dealers from this requirement or the general registration requirement.

Part B—Bank-investment company activities

Section 111 (Custody of Investment Company Assets By Affiliated Banks) amends sections 17(f) and 26(a)(1) of the Investment Company Act to clarify and strengthen the SEC's authority to adopt regulations governing the conditions under which banks may serve as custodians of affiliated mutual funds or unit investment trusts. Specifically, a registered investment company is permitted to place its assets with a bank that is an affiliated person of such a company only if expressly permitted by rules, regulations, or orders that their SEC may adopt consistent with the protection of investors. Without this provision, as bank could cause its affiliated mutual fund to select the bank as the fund's custodian, thereby depriving the fund of an independent custodian and creating the potential for abuse and self-dealing.

Section 111 makes a similar amendment to section 26(a)(1) where a bank affiliated with a unit investment trust seeks to serve as its trustee.

Section 112 (Affiliated Persons and Transactions) amends section 2(a)(3) of the Investment Company Act to add to the definition of "affiliated person" a new clause (G). Under this clause, the Commission may, by order, rule, or regulation, designate any person or class of persons as "affiliated persons" of an investment company by reason of having had, at any time since the beginning of the last two completed fiscal years of such company, a material business or professional relationship with such company or with any person that is a principal underwriter for, or promoter or sponsor of, such company or any affiliated person of such company.

This section also prohibits an investment company from knowingly acquiring securities during an underwriting where the proceeds will be used to retire indebtedness to an affiliated bank. Specifically, section 10(f) of the Investment Company Act is amended to prohibit a registered investment Company from knowingly purchasing or acquiring, during the existence of an underwriting or selling syndicate, any security (except a security of which it is the issuer) the proceeds of which will be used to retire indebtedness owed to a bank where the bank or an affiliated person thereof is an affiliated person of such registered company.

Section 113 (Borrowing from an Affiliated Bank) prohibits a mutual fund from borrowing from an affiliated bank except as permitted by the SEC. Specifically, section 18(f) of the Investment Company Act is amended to prohibit any registered open-end company from borrowing from any bank if such bank or any affiliated person thereof is an affiliated person of such company, except that the SEC may, by rule, regulation, or order, permit such borrowing which the SEC finds to be in the public interest and consistent with the protection of investors.

Section 114 (Independent Directors) amends two provisions of the Investment Company Act to strengthen its requirements for independent directors serving on the boards of investment companies.

Subsection (a) amends the definition of "interested person" in section 2(a)(19)(A) of the Investment Company Act to include (1) in clause (v), any person that, at any time during the last 6 months, has executed any portfolio transactions for, engaged in any principal transactions with, or loaned money to, the investment company or any other investment company having the same investment adviser, principal underwriter, sponsor, or promoter, or any affiliated person of such a broker, dealer, or person; and (2) in a new clause (vi), any employee of a bank that acts as custodian or transfer agent for such company. Such persons would not be prevented from serving as directors of that investment company; rather, they merely would be considered "interested persons" for purposes of the required percentage of disinterested or

independent directors of that investment company. The amendment is effective one year after the date of enactment of the Act.

Subsection (b) amends section 10(c) of the Investment Company Act, which currently provides that no registered investment company may have a majority of its board of directors consisting of persons who are officers, directors, or employees of any one bank. The amendment extends the prohibition to the officers, directors, or employees of any one bank and its subsidiaries, or any one bank holding company and its affiliates and subsidiaries. This eliminates the potential to circumvent the legislative intent of section 10(c) by a bank operating under a multiple bank holding structure.

Section 115 (Prohibition Against Use of a Bank's Name by an Affiliated Mutual Fund) amends section 35(d) of the Investment Company Act to prohibit under certain circumstances the use by an investment company of a name, title, or logo that is the same as or similar to the name, title, or logo of any affiliated bank or bank affiliate. If a bank affiliate advises of distributes an investment company with a name or logo similar to that of the affiliated bank, or if a bank or bank affiliate acts as investment adviser to an investment company which has a name or logo which is similar to that of the affiliated bank, investors may be misled into believing that the investment company shares are insured deposits or backed by the bank's resources. Moreover, the resulting link in the public mind between a bank and its mutual fund may damage the bank's reputation and public confidence in the bank if the bank's mutual fund encounters financial difficulty.

In addition, section 35(a) of the Act will continue to prohibit any person from representing or implying that an investment company, or its securities, are guaranteed by the United States.

Section 116 (Definition of Broker) amends the definition of "broker" in section 2(a)(6) of the Investment Company Act to reflect the bill's amended definition of that term in the Exchange Act. As before, the new definition would not include any person (including a bank) solely by reason of the fact that such person is an underwriter for one or more investment companies.

Section 117 (Definition of Dealer) amends the definition of "dealer" in section 2(a)(11) of the Investment Company Act to reflect the bill's amended definition of that term in the Exchange Act. The new definition would continue to exclude insurance companies and investment companies.

Section 118 (Treatment of Publicly Advertised Common Trust Funds) amends section 3(a)(2) of the Securities Act of 1933 (Securities Act), 3(a)(12)(A)(iii) of the Exchange Act, and 3(c)(3) of the Investment Company Act to clarify that a bank common trust fund is not entitled to the exemptions from the registration and reporting provisions of these Acts if the common trust fund is offered to the general public. These provisions would codify in the Acts the original legislative intent of the exemptions, that any publicly-offered common trust fund is the functional equivalent of an investment company and must be regulated as such. See S. Rep. No. 184, 91st Cong., 1st Sess. 27 (1969).

Section 119 (Modification of the Exclusion from the Definition of Investment Adviser for Banks that Advise Investment Companies) amends section 202(a)(11)(A) of the Investment Advisers Act of 1940 (Advisers Act) to delete the current exclusion from the definition of "investment adviser" for a bank or bank holding company that serves as an investment adviser to a registered investment company.

This modification of the bank exclusion is intended to strengthen the SEC's ability to oversee the activities of registered investment companies. It is also intended to subject banks and bank holding companies that advise investment companies to the Advisers Act restrictions on performance fees, as well as agency cross transactions and principal transactions.

Section 120 (Definition of Broker) amends the definition of "broker" in section 202(a)(3) of the Advisers Act to make it identical to the definition of "broker" in the Exchange Act, as amended by this legislation.

Section 121 (Definition of Dealer) amends the definition of "dealer" in section 202(a)(7) of the Advisers Act to make it identical to the definition of "dealer" in the Exchange Act, as amended by this legislation. The new definition would continue to exclude insurance companies and investment companies.

TITLE II—ADMINISTRATION OF SECURITIES LAWS WITH RESPECT TO SECURITIES OF DEPOSITORY INSTITUTIONS

Part A—Amendments To the Securities Act of 1933

Section 201 (Bank-Issued Securities) amends section 3(a)(2) of the Securities Act to delete the exemption for bank-issued securities. Section 3(a)(2) currently exempts from the registration, but not the antifraud, provisions of the Act any security issued by a bank.

Section 201 also amends section 3(a)(2) to delete the exemption for bank-guaranteed securities. Section 3(a)(2) currently exempts securities guaranteed by a bank to the same extent as the bank's own securities. Although banks normally do not issue guarantees of securities issued by third parties, they often issue standby letters of credit backing these securities. The SEC has taken the position that, because bank standby letters of credit are "tantamount to guarantees by [a] bank," securities backed by bank letters of credit need not be registered. Section 201 removes the exemption for securities guaranteed by banks. This change is consistent with the Commission's recommendations set forth in the "Report by the United States Securities and Exchange Commission on the Financial Guarantee Market: The Use of the Exemption in Section 3(a)(2) of the Securities Act of 1933 for Securities Guaranteed by Banks and the Use of Insurance Policies to Guarantee Debt Securities" (Aug. 28, 1987).

Certain types of instruments that are subject to a comprehensive scheme of federal banking regulation designed to ensure financial soundness and protect depositors agaisnt the risk of insolvency, such as federally-insured deposit instruments, generally are not treated as securities under the Securities Act of 1933 and, therefore, are not currently subject to the registration, antifraud, and other provisions of the Act. *See Marine Bank v. Weaver*, 455 U.S. 551 (1982). These types of instruments will continue to be exempted from the registration and other provisions of the Act. Moreover, section 104 adds a new subsection (d) to section 3 of the Act, which replaces the section 3(a)(2) exemption with a list of exempt deposit instruments and defines the term "deposit" for purposes of that subsection.

Under the definition of "securitiy" in section 2(1) of the Securities Act, a bank's letter of credit guaranteeing a security is a separate security. Thus, the letter of credit itself must also be registered unless an exemption is available. Although section 201 removes the exemption for securities issued by the bank, the letter of credit will continue to be exempt from registration under new section 3(d) of the Securities Act, added by section 204 of this Act.

Section 201 also effects a technical amendment to section 3(a)(2) by striking the clause: "For the purposes of this paragraph, a security issued or guaranteed by a bank shall not include any interests or participation in any collective trust fund maintained by a bank; and". This clause is no longer necessary because section 201 removes the exemption for any "security issued or guaranteed by a bank." Section 201 does not, however, affect the exemption in section 3(a)(2) for interests or participants in a bank collective trust fund issued in connection with certain employee benefit plans.

Section 202 (Savings Association-Issued Securities) amends section 3(a)(5) to eliminate the exemption from registration for securities issued by savings associations. However, section 3(d) of the Securities Act, added by section 204 of this Act, contains a list of exempt deposit instruments issued by savings associations. Section 3(a)(5) of the Securities Act currently exempts securities issued by savings associations from the registration, but not the antifraud, provisions of the Act.

Section 202 continues the current exemption from registration for securities issued by farmers' cooperatives exempt from tax under section 521 of the Internal Revenue Code of 1986, corporations described in section 501(c)(16) and exempt from tax under section 501(a) of the Code, and corporations described in section 501(c)(2) of the Code, exempt from tax under section 501(a) of the Code, and organized solely to hold title to property, collect income from property, and turn over income from the property to one of the foregoing types of entities.

Section 203 (Exemption to Permit Transition to Holding Company Structures) amends section 3(a)(9) of the Securities Act to facilitate the establishment of holding company structures as contemplated by this Act. Section 3(a)(9) currently exempts from the registration (but not the antifraud) provisions of the Securities Act securities exchanged by an issuer with its existing security holders exclusively where no commission or other remuneration is paid or given for soliciting the exchange. Section 203 amends section 3(a)(9) to add an exemption from the registration requirements of the Act for certain securities issued or exchanged in the context of a reorganization of a corporation, including a bank, into a holding company. The exemption generally requires that, as part of the reorganization, the security holders exchange their securities of the corporation for securities of a newly-founded holding company with no significant assets other than the securities of the corporation and its subsidiaries, and that the security holders generally receive securities representing the same proportional interest in the holding company as they held in the corporation before the transaction. The rights and interests of the security holders in the holding company also must be substantially the same as those in the corporation before the transaction, and the holding company must have substantially the same assets and liabilities as the corporation had before the transaction. Those conditions are intended to ensure that the exemption is not used to transfer corporate control or substantially alter the proportional interests of shareholders without complying with the disclosure provisions of the Securities Act.

Section 204 (Treatment of Certain Bank and Savings Association Instruments) adds a new

subsection (d) to section 3 of the Securities Act. Subsection (d) provides that if any interest in the instruments listed in subsection (d)(1) is otherwise deemed to be a security under section 2 of the Act, the Securities Act will apply to that interest only as expressly provided in the Act. This means that the instruments listed in subsection (d)(1) will be exempt from the registration provisions of the Act, but will continue to be subject to the antifraud provisions in section 17 of the Act. The listed instruments are (1) a deposit account, savings account, certificate of deposit or other deposit instruments issued by a bank or savings association; (2) a share account issued by a savings association if the account is insured by the Federal Deposit Insurance Corporation; (3) a banker's acceptance; (4) a letter of credit issued by a bank or savings association; and (5) a debit account at a bank or savings association arising from a credit card or similar arrangements. However, participations in those instruments (other than those that are direct obligations of a bank or savings association) are not exempted under subsection (d). They constitute separate securities under section 2(1) of the Securities Act. It should be further noted that some of these instruments, e.g., a certificate of deposit, or a participation therein, would be considered a security under section 2(a)(36) of the Investment Company Act.

New paragraph (d)(2) defines the term "deposit" for purposes of subsection (d) to mean the unpaid balance of money or its equivalent received or held by a bank or savings association in the usual course of business (1) for which it has given, or is obligated to give credit to a commercial, checking, savings, time, or thrift account; (2) which is evidenced by its certificate of deposit, a check or draft drawn against a deposit account and certified by a bank or savings association, a letter of credit or travelers check, or by any other similar instruments on which the bank or savings association is liable; (3) which consists of non-pooled assets of individual trust funds received or held by a bank or savings association, whether held in the trust department or deposited in any other department of the bank or savings association; or (4) which is received or held by a bank savings association for a special or specific noninvestment purpose, including escrow funds, funds held as security for any obligation or for securities loaned by the bank or savings association, funds deposited by a debtor to meet maturing subscriptions to United States Government securities, funds held for distribution or purchase of securities, funds held to meet its acceptance or letters of credit, and withheld taxes.

For purposes of subsection (d), the term "savings association" is defined to have the same meaning as in section 3 of the Federal Deposit Insurance Act.

Section 205 (Technical Amendment) amends section 12(2) of the Securities Act.

Section 12 of the Securities Act imposes certain civil liabilities on any person who offers or sells a security by means of prospectus or oral communication which contains an untrue statement of a material fact, or omits to state a material fact necessary in order to make the statements not misleading, if the person knew or should have known of such untruth or omission. Section 12 currently exempts from these provisions securities that are exempted by section 3(a)(2) of the Act. Section 205 amends section 12 by including within the exemption securities that are exempted under new section 3(d) of the Act.

Part B—Securities Exchange Act administration transfer

Section 211 (Amendment to the Securities Exchange Act of 1934) would consolidate the administration and enforcement of the disclosure requirements of the federal securities laws in the SEC.

In 1964, section 12(i) of the Exchange Act transferred to the Federal banking agencies the responsibility for administering and enforcing sections 12, 13, 14(a), 14(c), 14(d), 14(f), and 16 of the Exchange Act with respect to those banks within the agencies' respective jurisdictions. Jurisdiction over thrift reporting was similarly transferred to the Federal Home Loan Bank Board (now Office of Thrift Supervision) in 1974. All other powers, duties, and functions, including antifraud enforcement of these and other provisions of the Act, with respect to those institutions, resides with the SEC. Section 12 requires registration of securities traded on national securities exchanges or issued by certain issuers. Section 13 requires filing of periodic and other reports concerning these securities and their issuers and filing of disclosure statements by certain beneficial owners of those securities and by issuers that repurchase their securities. Section 14(a), (c), and (f) impose certain disclosure and other requirements concerning solicitation of proxies with respect to those securities. Section 14(d) imposes certain disclosure and other requirements with respect to tender offers. Finally, section 16 requires filings with respect to certain acquisitions and sales of equity securities by officers, directors, and principal shareholders.

Section 211 repeals section 12(i). The effect of this repeal is to return enforcement and administration of those provisions with respect to banks and savings associations from the Federal banking agencies to the SEC. The current division of responsibility for enforcement of the Act is inefficient and has fostered inconsistent standards. Misuse of accounting standards played an extremely large, and in some ways pivotal, role in allowing the rapid and reckless growth of the thrift industry, as well as concealing the depth of its $500 billion problem. By centralizing regulatory responsibility in the agency with greatest expertise in the area, section 211 will help to ensure that investors in the securities of banks and savings associations receive the benefit of full and fair disclosure under the Act.

Part C—Miscellaneous provision

Section 221 (Technical Amendment) amends section 304(a)(4)(A) of the Trust Indenture Act of 1939. Section 304(a)(4)(A) exempts from the Act's provisions certain securities exempted from the Securities Act by section 3(a) of the Securities Act. Section 221 conforms section 304(a)(4)(A) to new section 3(d) of the Securities Act by including securities exempted by section 3(d) within the section 304(a)(4)(A) exemption.

TRIBUTE TO THOMAS PENDLETON PULE

HON. PATSY T. MINK

OF HAWAII

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1991

Mrs. MINK. Mr. Speaker, far too often it is our task in the Congress to address the problems of this Nation, including the problems facing our young people and the young people of our Nation who have become problems. But today I rise today with pride and admiration to relate to this body an act by Thomas Pendleton Pule, an outstanding young man from the State of Hawaii. It is an act that reminds us, Mr. Speaker, that the vast majority of our young men and women in this Nation are a credit to their generation and are indeed the best young men and women in the world. If any young person of this Nation deserves praise and recognition, it is Thomas Pendleton Pule of Wahiawa, HI, on the island of Oahu. Mr. Pule is a member of the Boy Scouts of America, serving in Life Scout Troop 172. Mr. Speaker, I do not believe there is any finer example of what Scouting means and what today's young men and women of this country are capable of than the act of heroism and selflessness I am about to relate.

In March of last year, Mr. Speaker, Thomas Pule was part of a group of 11 Scouts and 6 adult leaders participating in a survival hike between Laie and Wahiawa, passing over the Poamoho Trail. Late on the second day of their hike, the group was having a hard time of it because of muddy conditions caused by rain that fell the previous day. Bearing his heavy pack, the adult leader in charge of the hike went ahead of the group to clear brush and open the trail. Suddenly he lost his footing in the slippery mud and slid off the trail down onto a small ledge where he grabbed onto tree roots and shrubs, hanging above a 300-foot cliff.

Thomas heard his adult leader's calls for help and without regard to the danger went to the trail's edge and lowered himself down to the ledge to aid his Scout leader. Thomas pulled his leader, appearing to be in shock and unaware of the extreme danger he was in, from the ledge to safety. Thomas then removed the heavy pack his adult leader was carrying and carried the pack up to the trail as his leader followed. Then both of them struggled to reach an established rest stop and waited for the rest of their group to join them.

For his quick reaction and expert use of his basic Scouting skills in the rescue, Life Scout Thomas Pendleton Pule was presented the Heroism Award by Scouting's National Court of Honor.

Mr. Speaker, I recently met this outstanding young man here in Washington. Thomas was part of a select delegation of Scouts that traveled to Washington to present to the Congress the Boy Scouts of America 1991 Report to the Nation. I have no doubt that each Member of this body would be as impressed as I was if given the opportunity to meet him.

Mr. Speaker, I am sure that each and every member of this body has heard the talk of the nay-sayers, those that express their fears of what the future may bring to this country. The nay-sayers would have us believe that the generation soon to assume the reins of leadership will be unprepared. However the heroism of Thomas Pendleton Pule shall always serve as a reminder to me, and I hope to this body, that this Nation's most precious resource, its young people, continues to be unmatched by any other country in the world, thanks in large measure to the Boy Scouts of America and to its outstanding members like Thomas Pendleton Pule.

Mr. Speaker, I would like to submit for insertion in the RECORD this article about Thomas Pendleton Pule in the 1990 annual report of the Aloha Council of the Boy Scouts of America so that my colleagues may learn more about this outstanding young man.

HEROISM AWARD GIVEN TO THOMAS PENDLETON PULE, LIFE SCOUT TROOP 172, LDS-WAHIAWA WARD, MILILANI STAKE

During March of 1990 eleven scouts and six leaders of the LDS-Mililani Stake participated in a survival hike between Laie and Wahiawa, Hawaii passing over the Poamoho Trial. Late on the second day of their hike, the group was slowed down due to muddy conditions caused by rain during the previous day.

The adult leader in charge of the hike, went ahead of the group with his heavy pack clearing brush, and opening the trail. Suddenly, he lost his footing in the slippery mud and slid off the trail down onto a small ledge where, grasping onto tree roots and shrubs, he found himself hanging above a 300 foot cliff, calling for help.

Life Scout Thomas Pule heard his leader's cries for help. Without regard to the dangerous conditions, Pule went to the trail's edge and lowered himself down to the ledge to aid his Scout leader.

Appearing to be in shock, and unaware of the extreme danger he was in, the leader was pulled back from the ledge to safety by Pule. After removing the heavy pack from his leader, Pule carried the pack up to the trail while his leader followed behind him. Together they proceeded to an established rest stop where they waited for the rest of the group to join them.

For his quick reaction and use of basic Scouting skills in the rescue, Life Scout Thomas Pendleton Pule is presented the Heroism Award by the National Court of Honor.

He has also been selected by the Boy Scouts of America to participate as a member of the 1991 Report to the Nation Delegation.

INTRODUCTORY STATEMENT ON THE PERSIAN GULF EDUCATION EQUITY ACT

HON. BILL RICHARDSON

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1991

Mr. RICHARDSON. Mr. Speaker, Operation Desert Storm has taken a new turn and with the possibility of groundfighting beginning, I cannot help think of the extreme disruption we have imposed on our reservists' lives. We have asked them to protect our way of life, to guard access to Kuwaiti oil for ourselves and our allies, and to defend us from the expansionist terrorism of Saddam Hussein.

The commitment our reservists make to our defense demands a willingness to risk one's life; this risk deserves a commitment from us, to at the very least, ease the disruptions that active duty causes in the lives of service members and their families, as well as in their educational and financial commitments. My bill aims at minimizing the disruption to a reservist's life by preventing the loss of payments made for educational courses left unfinished because of participation in the war. The legislation I am introducing has three major components: partial student loan forgiveness, tuition reimbursement, and restoration of GI bill education benefits.

RESTORATION OF GI BENEFITS

Those reservists who qualify for the educational benefits under the current GI bill receive benefits worth $140 per month for up to 36 months in order to help defray the costs of their education. Student reservists who are called to active duty before the end of a semester not only lose credit for that semester, but they also lose that number of months of benefits. Under my bill, students, returning from active duty would be considered as not having used their monthly entitlement during the semester in which they were called to duty. In other words, the monthly educational benefits used during the unfinished semester would be fully restored.

TUITION REIMBURSEMENT

In order to further restore a student reservist's financial standing, my bill mandates that the reservist's school reimburse tuition for the incomplete semester. I recognize and applaud the great number of colleges and universities that have instituted a voluntary policy of reimbursement. Nonetheless, we all know that voluntary compliance does not yield the same results as a Federal mandate. We also know that voluntary compliance does not protect the dedicated reservists who go to schools that declined to institute a reimbursement policy. In fact, this very situation has come to pass in my district.

A young man from Espanola, a town in my district of northern New Mexico, was a college student when he was called to active duty in the Persian Gulf. Despite efforts by his parents and my office, his university has thus far refused to refund the reservist's tuition and fees. Isn't it enough that this young man's parents must worry about the well-being of their son? They certainly do not need the added distress of negotiating with a university bureaucracy and of losing money. My legislation is important because it will protect students like this.

PARTIAL LOAN FORGIVENESS

Lastly, my bill allows for partial forgiveness of members of the Armed Forces who serve in the Combat Zone for under 1 year. Currently, those who serve at least 1 year in the combat zone are entitled to have their Perkins loans reduced by 12.5 percent. Yet, those members who serve in the combat zone for less than a full year, who are taking on the same risk to their lives, do not receive any loan cancellation. My legislation recognizes the risk that these service members take for our protection by incorporating a 12.5 percent pro-rata system of loan cancellation for service in the combat zone for less than 1 year.

The Congressional Budget Office estimates that the loan forgiveness provision will cost less than $1.8 million. In fact, the CBO considers this estimate to be exceptionally high because the CBO was unable to obtain statistics from the Department of Defense on the number of students it has called to active duty. Furthermore, there is no record of the number of student service members who have Perkins loans, making it extremely difficult to predict the actual cost of this provision.

Finally, let me close by emphasizing the importance of supporting the educational goals of our service members. The cost of protecting the educational goals of the members of our Armed Forces is negligible in comparison to the risk they have undertaken. Those reservists who are serving us now deserve to come back to stable circumstances and educational opportunities. The risking of their lives entitles them to pursue their education without setbacks. My legislation will allow them a strong start by ensuring their educational benefits, by preventing loss of tuition, and by decreasing indebtedness.

SALUTE TO LEGION VOLUNTEERS IN MAINE

HON. OLYMPIA J. SNOWE

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1991

Ms. SNOWE. Mr. Speaker, I would like to salute and commend American Legion volunteers all around Maine for their initiative to help our troops serving in Operation Desert Storm.

Volunteers at Legion Posts throughout the State are making, by hand, rifle bags to keep sand out of M–16 rifles being used in the Persian Gulf. Without these or similar bags, the desert windstorms that begin in March could result in sand-covered and jammed rifles for our troops.

Legion and Auxiliary members, as well as other Mainers, are helping out at Legion Halls in South China, Madison, Trenton, Bath, Gardiner, Severance, and elsewhere.

I would like to add special commendation to Stephen Alley, of Unity, ME, who is the coordinator of this project in Maine. His work and that of all the volunteers is significant for two reasons: the practical utility of the bags; and the messages they send to our troops that the folks back home truly care for them.

Mr. Speaker, I ask unanimous consent that the following article on the project from the Central Maine Morning Sentinel be included in the RECORD.

[From the Morning Sentinel, Monday, February 4, 1991]

LEGION VOLUNTEERS MAKING RIFLE BAGS

(By Mary Grow)

CHINA.—They're called rifle bags, or M–16 bags, or sand bags—the M–16 goes in, the sand stays out—and they'll probably save some soldier's lives.

The five-foot-long plastic bags are being hand-made by volunteers at American Legion posts in various corners of Maine, because the Pentagon hasn't provided them for U.S. forces in the sandy Saudi desert.

A complete rifle bag includes the plastic rifle sack, a dozen plastic sandwich bags to be used as covers for M–16 magazines and an instruction sheet.

Stephen Alley of Unity, coordinator of the Maine project, said once desert windstorms start in March, soldiers will wake up from a night's sleep with three or four inches of sand over and in everything they own and wear, including their rifles. A sandy rifle will jam when the soldier needs it to fire.

"My bottom line concern is for those young kids over there on the front lines. It's going to be bad enough without this problem," Alley said.

Alley said M–16 bags were issued in Vietnam. The idea of having American Legion

and Auxiliary members and over civilians make them for the Gulf war came from retired Major Cresson Kearney of Colorado and a civilian biochemist and professor, Art Robinson of Oregon, he said.

Alley knew the two through working with them on civil defense issues, and at their suggestion began spreading the idea at the Maine Legion's mid-winter conference in Lewiston in January.

At the Boynton-Webber Legion Post in South China, people from China, Unity and Belfest have worked for a week and plan at least another week's work to make 3,500 bags.

Alice Severance, President of Boynton-Webber Auxiliary, said up to 25 people a day have donated time at the long tables, measuring and cutting plastic, sealing the edges of the bags with sealing machines members use for home freezing, checking for leaks, stuffing in the sandwich bags and instructions and rolling and rubber-banding the completed kit.

More volunteers are welcome. People can get information by calling Severance at the Legion Hall, which is listed in the telephone book under American Legion, South China.

Monetary donations are also needed to pay for plastic and sandwich bags. Money should be sent to the M-16 Fund at American Legion headquarters, Post Office Box 900, Waterville, Alley said.

Volunteers are working in Legion halls in Madison, Trenton, Bath and Gardiner, as well as South China, Severance and Alley said.

In addition, Alley said, a Legionnaire arranged for a Maine manufacturing firm—which he was not at liberty to name—to make 200,000 of the rifle bags, without magazine covers.

The first 100,000 are due to be shipped Monday, he said, but he doesn't know whether air shipment has been arranged, if they have to go by sea, he commented, the life-saving bags that were made in two weeks would take four weeks to reach soldiers.

Alley is not sure the volunteer-made bags can be shipped. He plans to take the first 1,300 from South China to Bangor International Airport and see what happens.

"No one wants to take responsibility," he said.

Ally said he "understands" the government is doing something about providing rifle bags, but he hasn't seen any in news reports from the Persian Gulf.

The volunteer effort "shows what industrious people can do. If we're not bogged down by bureaucrats, things can be accomplished," he commented.

CELEBRATING THE BILL OF RIGHTS

HON. THOMAS M. FOGLIETTA

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1991

Mr. FOGLIETTA. Mr. Speaker, late last year, I delivered a speech to the Pennsylvania Humanities Council on the occasion of the opening of their show paying tribute to the Bill of Rights. I now bring my colleagues attention to this speech:

REMARKS BY HON. THOMAS M. FOGLIETTA

In this New Year, we celebrate the 200th anniversary of our Bill of Rights.

We were the first people to found a nation on the basis of articulated rights. And, ever since, our Bill of Rights has been used as a framework for other emerging democracies.

It is the Bill of Rights that allows me to stand here and speak to you today.

It is that document which enables us to pray—or not to pray—at the church, temple or mosque of our choice.

It is that document which prohibits the police from unreasonably searching our homes and bodies.

It is that document which requires fair trials for criminal defendants—that we have a right to a lawyer, that we have the right to a speedy trial, that we have a right to jury trial where we're judged by our peers and that we cannot be forced to incriminate ourselves.

The Bill of Rights is an elegant, simple, concise document. In fact, it contains only 431 words. But those 431 words are golden, each and every one of them. Their wisdom speaks volumes and their impact has been profound. Over the last 200 years, the Supreme Court has expanded the goals of those words and, sometimes, unfortunately, retreated from their promise.

It is valuable that we commemorate the history of the Bill of Rights and the men who drafted it. More importantly, however, we must focus on its meaning. We must celebrate its intent. And we must preserve the integrity of this precious document.

I make the case to you today that the Bill of Rights has been the victim of unconscionable assaults in recent years—by the cynical motives of right wing politicians. To truly celebrate the Bill of Rights, we must guard against further attacks on its integrity.

In making my case to you, I would like to focus on some recent assaults on the Bill of Rights.

The most dangerous attack occurred in 1989 with the rush to stop people from desecrating the American flag. This came after the Supreme Court held that the First Amendment protected an American's right to make a statement by burning the flag. President Bush waged his campaign partly by touring flag factories—and he rushed to the flag's defense. With a fiery press conference staged among the flags around the Washington Monument, the drive was on to pass a 27th amendment to the Constitution—amending the First Amendment. This would have been the first time the Bill of Rights was diminished by constitutional amendment.

Legislation to pass this amendment came to the floor of Congress and the rhetoric was red hot.

Politically, it was hard to vote against the amendment. How do you go home and explain to war veterans or widows of soldiers, for example, that you had to shield flag burners from going to jail. The First Amendment is an intangible concept. The Flag is a vital symbol of our nation that one can see and feel.

But enough of us had the courage to vote against this amendment. The vote in the House was 254 to 177, and it needed two-thirds of the House to pass. Thus, the effort to amend the Bill of Rights for the first time died.

The most recent assault on First Amendment rights came with efforts to place severe restrictions on grants by the National Endowment for the Arts. There were also calls to put the NEA out of business.

The genesis of this debate was a politician's nightmare. Publicity was given to grants of tax dollars that went to pay for a show of Robert Mapplethorpe's photographs, an artist who recently died of AIDS. The show started right here in my Congressional district at the Institute for Contemporary Arts. The bulk of the Mapplethorpe exhibit was beautiful photographs of flowers and other scenes, but a small portion was homoerotic. Another federal grant went to an artist who, among other things, depicted Jesus Christ in a vat of urine. Quickly, an effort began to curb the NEA.

The argument to preserve artistic freedom and the vitality of the NEA was hard to communicate: that only .05 percent of nearly 90,000 NEA grants resulted in controversy, that there is an historical tradition of public and government support of artists, that we wouldn't be able to enjoy the product of Michelangelo, Mozart or Beethoven without public support, and that censoring the types of art funded by the NEA would breach the First Amendment.

For the right wing, however, the issue was framed simply: your tax dollars were paying for pornography.

Again, the issue hit the floor of Congress. Fortunately, the NEA survived. But not without scars. New restrictions were built in to the process for awarding grants. In awarding grants, the NEA must be, quote, sensitive to the general standards of decency and respect for the diverse beliefs of the American public, unquote. That means that artwork appropriate to South Street must also be appropriate in a small town in Kansas. The result, I believe, will be tentative public support for the arts. I fear that the NEA will only fund the most conventional artists; never will it risk another round with Jesse Helms by funding an artist on the edge. Worse yet, artistic invention and creativity in our nation may be chilled.

This assault on the Bill of Rights has not been confined to the First Amendment. There has also been a drive to curtail the rights of persons accused of crime.

This Fall, the House considered an election year crime bill. Headline-seeking Congressmen offered amendments to make the bill tougher and tougher. The tougher the amendment—and the more contrary to the Bill of Rights—the more votes these amendments would garner. Congress—Democrats and Republicans alike—was going to out-Willie Horton George Bush.

There was a joke on the floor that an amendment requiring the death penalty for scofflaws would pass the House. But the joke wasn't very funny.

There was an amendment to give police wider latitude in conducting warrantless searches, jeopardizing Fourth Amendment rights.

There were a series of amendments to restrict the filing of habeas corpus petitions by death row defendants.

There was an amendment to require juries to invoke the death penalty if the prosecutor presented a single aggravating circumstance.

There was a clearly unconstitutional amendment to extend the death penalty to "drug kingpins" where no killing was directly involved.

I voted against all these politically popular amendments. But all of these amendments passed the House.

Thankfully, a conference committee washed the final bill clean of all of these dangerous provisions.

It is clear what's going on. The 40 year conflict that divided the globe—the Cold War—is over. The red menace is gone. And the right wing looked desperately to find hot button issues to press. They need these issues to advance their political campaigns and their lucrative direct mail fund raising campaigns.

Easy targets were flag burners, the NEA and criminal defendants, recognizing the success the President had in exploiting the case of Willie Horton.

Left vulnerable was the Bill of Rights.

Our society has many goals it strives to achieve. But the greater good of preserving the Bill of Rights requires us to sometimes sacrifice these goals.

Who wants to fight to allow people to burn our flag? But we must: to protect our right of free speech.

Who wants to support an artist who depicts Jesus Christ in a vat of urine? But we must: to protect our right of artistic expression.

Who wants to align himself with criminal defendants like Willie Horton? But we must: to protect the basic rights of a fair trial.

For criminal defendants, we hate what they did.

But we must preserve their rights before they go to jail.

Sometimes we hate what artists paint or sculpt or compose.

But we must preserve their right to express themselves.

And sometimes we hate what writers say.

But we must protect their right to say it.

That is our challenge as we celebrate 200 years of the Bill of Rights. That is our challenge as we look forward to at least 200 more years of the protections that it provides to all of us.

IN SUPPORT OF THE FREEDOM OF CHOICE ACT

HON. NORMAN Y. MINETA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1991

Mr. MINETA. Mr. Speaker, the right of choice is a basic human right. It is a right acknowledged and protected by the U.S. Constitution.

Today, millions of American women fear that their right to choose may be infringed, or taken away altogether, when it comes to the question of whether or not to continue a pregnancy.

Mr. Speaker, my good friend and colleague from San Jose, DON EDWARDS, recently wrote an article for the San Jose Mercury News in which he spoke to the dangers of losing the right to choose.

As an original cosponsor of the Freedom of Choice Act (H.R. 25), introduced by Mr. EDWARDS, I strongly recommend this article to all of our colleagues in the House:

KEEP ABORTION SAFE AND LEGAL

(By Don Edwards)

Decisions about procreation are among the most personal and private matters an individual faces. This is the last area into which we should invite the legislators of 50 states to make decisions for us. Yet that is precisely what the Supreme Court did in its 1989 decision in Webster vs. Reproductive Health Services, turning on its head more than 20 years of constitutional law.

In 1965 and 1972, the Supreme Court ruled that decisions about contraception belong with the individual and not the state. In 1973, the Supreme Court ruled that decisions about abortion also belong with the individual. It held in Roe vs. Wade that the constitutional right to privacy includes a woman's right to choose whether or not to terminate a pregnancy.

That federal standard has been the law for nearly two decades, but now the fundamental right to choose is being whittled away, in state legislatures and in the increasingly conservative Supreme Court. But a new piece of federal legislation—the Freedom of Choice Act—promises to protect that right from further tampering.

The Freedom of Choice Act, H.R. 25, would codify the Roe decision so that the right to choose will remain with individual women, not politicians. Like Roe, it protects a woman's right to choose before viability or when her life or health is at stake.

The Freedom of Choice Act is needed because the right to choose is under attack. Since the court's 1989 Webster ruling, antiabortion bills have been introduced across the country. Bills that were vetoed in Idaho and Louisiana were so restrictive that some rape and incest victims could have been denied abortions. Extremely restrictive bills in Pennsylvania and Guam have been signed into law.

Several states will consider abortion restrictions this year. One of these laws could end up in the Supreme Court as the vehicle to overturn Roe vs. Wade. A federal statute is necessary to prevent the erosion of the right to choose.

If we send reproductive rights decisions to the states, the consequences will go beyond denying some individuals the right to choose. Witnesses testified in a House subcommittee hearing last year that the inevitable checkerboard of varying regulations would have a tremendous public-health impact, as women flood the states that have less restrictive laws, overburdening the health care systems of those states.

Legal and medical experts also testified that outlawing abortion would mean a return to dangerous, illegal procedures for many women in desperate circumstances.

Outlawing abortion doesn't stop abortions—it simply makes safe, legal abortion an option only for the rich. If there is no federal standard protecting choice, a woman's options will vary with her income. Low-income, young, minority and rural women, who often have less access to family planning and health care in general, will have the fewest and least safe options.

The Freedom of Choice Act, cosponsored by a bipartisan group of over 100 members of Congress, would help keep abortion safe and legal. Reproductive choice is a federal issue because the constitutional right to privacy is a federal principle.

This fundamental right should not be left to the political winds and personal whims in local legislatures.

Abortion is an emotional and deeply personal issue. But when confronted with the legal issue of whether childbearing decisions belong with the individual or with the state legislatures, Americans come down squarely on the side of the individual's right to privacy and the right to choose.

The Freedom of Choice Act helps guarantee the preservation of those rights.

IRRIGATION WATER REFORMS NEEDED

HON. GEORGE MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1991

Mr. MILLER of California. Mr. Speaker, meaningful reforms to Federal irrigation and reclamation laws are long overdue. Year after year, a small number of large farm operations—mostly in California's Central Valley—continue to cheat U.S. taxpayers by illegally receiving huge quantities of federally subsidized irrigation water.

The following editorial from the Redding Record Searchlight explains the problem. My legislation to correct these abuses overwhelmingly passed the House last year. I intend to vigorously pursue the enactment of reforms early in this Congress.

LET'S MAKE 1991 THE YEAR WATER LAW WAS REFORMED

Bringing balance, fairness and fiscal responsibility to federal water rules would help the north state's recreation industry.

Near the top of any list of New Year's resolutions for the 101st Congress must come significant reform of Western water law.

For too long, huge corporate farms have been able to skirt federal limits on low-cost, taxpayer-subsidized water. For too long, agricultural operations have gotten away with "double dipping" into both crop and water subsidies. For too long, fisheries restoration and recreation enhancement have been unfairly short-shrifted in the unbalanced world of water.

When California communities talk about water-saving programs, it's almost laughable. Domestic users can limit toilet flushing and lawn watering all they want, but the fact is that such conservation steps are of little consequence. There is a veritable tidal wave of water allocated to agriculture—to the detriment of other important needs.

Fully 85 percent of all the water used in California flows to farms. The remaining 15 percent is divvied up among residential, industrial and fisheries mitigation uses.

More than half of all the water in the state is consumed by dairy, rice and cotton farms—all of which are heavily subsidized. With the nation's federal debt at $2 trillion, the time is past due for a hard-headed cost-benefit analysis of all this welfare for farmers.

The good news is that water reforms with real teeth appear likely to become law in the coming year. In fact, California Rep. George Miller's amended version of House Resolution 3613, which is supported by the Shasta-Trinity Water Task Force, was overwhelmingly approved last year in the House on a 316-97 vote. However, Sen. Pete Wilson, R-Calif., who felt the wording of Miller's legislation could end up hurting small farmers, led an opposition that was able to thwart passage in the Senate.

The Miller legislation seeks to close a loophole in the 1982 Reclamation Reform Act through which large farms have been able to receive federal water subsidies meant only for small farms. Written with the intention of encouraging family farming in the water-scarce West, the act permitted farms of fewer than 960 acres to receive cheap irrigation water pumped through federal canals. The problem is that large farms and agribusinesses have been able to receive the subsidies by dividing their holdings into trusts and partnerships composed of multiple 960-acre units.

Miller is insisting that those trusts be dissolved. With Wilson now just days away from becoming California's next governor, a major opponent in the Senate will be out of the way.

The reforms provided for in HR 3613, as amended by Miller, would be good news for the north state—both environmentally and

economically. They would require that fisheries be restored, which necessarily would mean that the amounts of water held through the summer recreation season in north state lakes in dry years would be greatly increased.

A more equitable allocation of water would result in higher and steadier levels for Shasta and Clair Engle (Trinity) lakes, thereby giving the north's recreation industry the fair shake that has long been its due.

1991 should be the year that sanity is finally brought to federal water rules.

TRIBUTE TO CONGRESSMAN WILLIAM LEHMAN

HON. ILEANA ROS-LEHTINEN

OF FLORIDA

HON. DANTE B. FASCELL

OF FLORIDA

HON. LAWRENCE J. SMITH

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1991

Ms. ROS-LEHTINEN. Mr. Speaker, this coming Sunday, hundreds of people will gather in a downtown Miami hotel at a benefit for Temple Israel. But this evening will be different from the numerous benefits that are held this time of year in south Florida, because it will also be a night to honor our colleague from Miami, WILLIAM LEHMAN, for his 25 years of public service.

Taking part in this gala tribute to Representative LEHMAN will be House Speaker TOM FOLEY who will be the keynote speaker.

Mr. Speaker, I speak today not only on behalf of myself, but for my colleagues who also represent Dade County, Representative DANTE FASCELL and Representative LARRY SMITH. Although I have only served in this Chamber for a short while, BILL LEHMAN is well known to me and all of Dade County for his selfless dedication to greater Miami, his constituents, and his principles. Although Representative LEHMAN and I feel free to disagree on certain issues, there is one area where we, together with Representatives FASCELL and SMITH, work in haromony; that is for the people of south Florida. I know his constituents appreciate him, as I have grown to appreciate him.

Born in Alabama, BILL moved to Miami as a young man and opened up a used car business. He became well known in the 1950's to the residents through his television commercials as "Alabama Bill" and developed a reputation as a straightforward, honest businessman who always treated his customers fairly.

In the early 1960's BILL decided to teach English literature in Dade County public schools, where he gained knowledge and new insight into the problems and challenges in our educational system. In 1966, BILL decided he could contribute more and was elected to the school board, becoming its chairman in 1970.

In 1972, BILL ran for Congress in the newly created 13th District, winning in a crowded field of seven Democrats. Since then, BILL has proven his adeptness in the legislative process and in his ability to bring Federal resources home to Miami, and, indeed, to all of Florida. He played a critical role in the development of Miami's mass transit system, including the bus and rail network. He has been instrumental in funding the restoration of the Kissimmee River and the Miami River, and he is responsible for starting the William Lehman Aviation Center at Florida Memorial College.

BILL LEHMAN's humanitarian missions are legendary. He has won the release of Cuban political prisoners and even smuggled an artificial heart valve into the Soviet Union for a 22-year-old woman who needed it for a life saving operation. As an advocate of Israel, BILL LEHMAN is one of her strongest allies, and he is a champion on behalf of the plight of Soviet Jews.

Mr. Speaker, my colleagues, Representatives FACELL and SMITH, and I want to take this opportunity to thank BILL LEHMAN for his work in the Congress of the United States. We know Representative LEHMAN's work is not done, and that he will continue to serve in the Congress for many years to come. We are delighted to be able to join the friends of Temple Israel in Miami in honoring him for his achievements.

UNFAIR BANKING PRACTICES

HON. CARROLL HUBBARD, JR.

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1991

Mr. HUBBARD. Mr. Speaker, last month I received a copy of an excellent December 28, 1990, letter sent to President George Bush from Robert L. Chambless, Jr., chairman of the board of Hart County Bank & Trust Co. in Munfordville, KY, which I would like to share with my colleagues.

Bob Chambless has written about issues of great concern to the bankers in Kentucky and elsewhere in the Nation, specifically the unfair practices of the Federal Deposit Insurance Corporation in its regulatory practices. Although this is a most serious time for the President and our Nation, Bob Chambless urges the White House to take a serious look at "a domestic issue of great importance to us both, the FDIC." He urges scrutiny of the FDIC regulatory treatment of all financial institutions and their depositors.

I urge my colleagues to read the excellent comments of this outstanding banker from Kentucky. The letter from Bob Chambless follows:

HART COUNTY BANK AND TRUST CO.,
Munfordville, KY, December 28, 1990.

Hon. GEORGE BUSH,
President, United States of America, The White House, Washington, DC.

DEAR PRESIDENT BUSH: I know that you have your hands full with foreign affairs right now, but I wanted to mention a domestic issue of great importance to us both, the FDIC.

Our little country bank has assets of 26 million dollars and a capital ratio of over nine percent. We serve a county of approximately 14,000 persons, with agriculture as our primary industry. Not only are we getting tired of paying for other people's mistakes, but also we have had problems of our own in the past, due to agricultural land values declining, and we weathered that storm without any outside help. I am hard pressed to see why we should continue to pay the bills for others' mistakes. We know that just the increase in FDIC assessments for 1991 will cost us in excess of $20,000, which results in our paying over two months of our 1991 earnings to the FDIC for that coverage. The fact that the FDIC chooses to fully cover uninsured and unassessed foreign deposits of the big banks is so unfair it escapes me why it is permitted to continue.

I do not need to take you through a history of what brought about the current problems, but there are three key things which come to mind immediately:

1. The deregulation of interest rates paid on deposits.

2. The deregulation of the savings and loan industry.

3. The unwillingness to let national corporations, such as Chrysler Corporation and Continental Illinois National Bank, go under if in fact they were broke.

Had these organizations been permitted to collapse, it would have had an awakening effect on the public and on government, and maybe some folks' eyes would have been opened a little wider towards the future.

Best of luck and prayers to you in your efforts to resolve the many problems confronting this country today.

Yours very truly,

ROBERT L. CHAMBLESS, Jr.,
Chairman of the Board.

THE POSTSECONDARY RECOGNITION, INNOVATION, DEREGULATION, AND EXCELLENCE ACT OF 1991

HON. SILVIO O. CONTE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1991

Mr. CONTE. Mr. Speaker, today I am introducing the Postsecondary Recognition, Innovation, Deregulation, and Excellence Act of 1991. As you have probably noticed PRIDE is the acronym for this piece of legislation, and proud I am to introduce this act and invite my colleagues to join with me in support of this legislation on behalf of the Nation's postsecondary education system.

I am proud to introduce this act because I know what a fine job most postsecondary schools are doing and what a difference this legislation will make for those institutions and the difference they will make in people's lives. I really do know what a difference education can make because, after all, it was Boston College, together with the G.I. bill, that gave this machinist from Pittsfield, the son of Italian immigrants, the chance to serve in this distinguished House. I have never forgotten the important role education played in my life.

That is why over the years I have championed student aid and other higher education programs. And that is why last year I fought to increase funding for the supplemental educational grant program by $65 million, expand funding for FIPSE the first time in nearly a decade, and to add nearly $100 million for TRIO, to help disadvantaged students realize the American dream just like I have in my life.

While mere words cannot capture the pride I have for what my college education has allowed me to do, I have nonetheless tried to capture that sense of pride in this act. You

might say pride is what this act is all about because it will strengthen the sense of pride which our great Nation has in its postsecondary institutions and will foster the feeling of pride within the postsecondary community at a time when the confidence in the system has been shaken by financial difficulties, inconsistent services to students, and abuses in Federal programs.

As ranking member on the Appropriations Committee and its subcommittee that oversees all the Federal education programs, I know how hard it is in a time of fiscal restraint to increase funding for programs that are under a cloud of suspicion and doubt. Even though the vast majority of postsecondary schools have met their noble obligation to educate all children who cross through the proverbial ivy twined gates, the unscrupulous within the postsecondary community have made nearly every program suspect. The cloud of doubt has been a kiss of death when it comes to Federal dollars for student aid and other much-needed programs. It has caused folks to hide behind the facade of bad news and shirk their responsibility to America's youth, the cornerstone of our future.

In recent years, as our efforts to curb abuses have increased, I have been concerned that these system-wide actions, while reducing abuses, may have inadvertently hurt the majority of the institutions. Creating a situation akin to giving castor oil to a sick child and all the other members of his family who are feeling fine, one problem is solved but a whole new set of other problems are created.

While we are not asking the postsecondary schools to take a dose of castor oil, we are asking them to comply with rules and regulations—most of which are targeted at disreputable institutions—that are for the most part difficult to enforce, but by their very existence the laws and regulations require all schools, not just the bad ones, to do extra work complying with requirements most will never even come close to violating. This approach, while effectively eliminating some of the chaff from the wheat, brings the integrity of the entire system into question over the abuses of a few schools. In some cases these regulations are actually a punishment to not just the bad institutions but also the good ones.

Instead of the present blunt-instrument approach to improving postsecondary education, I believe we need to create double-edged-sword-like-laws that cut both ways, like double-edged swords with sanctions and punishments for the abusers, and rewards and incentives for the folks who are doing a good job.

That is why I put language in H.R. 5257 directing the Department of Education to work with the postsecondary community to explore ways of rewarding institutions that have gone beyond the letter and spirit of the law. And that is why I, along with my good friends Representatives Goodling, Coleman, and Ford, asked the Department to commission a study, due later this spring, concerning the onerous nature of regulations imposed on postsecondary institutions.

Those who know me will agree I have never backed away from punishing someone who deserves it. They also know, however, that along with handing out punishment, I have always accepted the responsibility for giving people a pat on the back for a job well done, especially when expectations have been exceeded. When it comes to postsecondary education, we have done a good job of parceling out punishmnent; we do, however, need to give a few more pats-on-the-back.

The good news is our postsecondary system can be strengthened. The antidote to the situation we now find ourselves is "Good News." That is why I am excited about this legislative proposal—it's a good news act. It injects a whole new perspective into the debate over policies concerning postsecondary schools. It establishes programs to recognize academic excellence, stimulate innovation, reduce unnecessary regulatory burdens, and disseminate the kind of information needed to keep our postsecondary system second to none. Like spring follows winter and sunshine follows rain, this is an act whose time has come.

In order to defeat the postsecondary plagues of abuse, doubt, malaise, and inefficiency our vision of what is possible within the postsecondary arena must be expanded. As the ancient Chinese strategist Sun Tzu noted centuries ago, the most effective way to defeat an adversary is destroying not his cities or armies but how he views the world. I cannot deny problems exist. How can a $2-billion-a-year student loan default problem be ignored? Or students who were promised the moon and ended up deep in debt without an education?

My concerns are not over the nature of the enemy. We know who the enemy is. I am concerned over the limited way in which we have been attacking that enemy. We have been viewing the postsecondary world through the blinders of punishment and sanctions, now we must expand our postsecondary world view to include recognition, rewards, incentives, and encouragement.

Let me take this opportunity to highlight the major parts of the act. With this one, what you see is what you get—the kind of education system America deserves.

This act raises many important issues such as: What role should the postsecondary community play in enhancing Federal education programs? How can we make existing Federal laws concerning postsecondary schools more responsive to the changing needs of America? Can the debate over the reauthorization of the Higher Education Act be broadened to explore revolutionary new policy initiatives, or will it be limited to yet another tinkering job on the 26-year-old law? Would postsecondary education be strengthened by field-testing new policy initiatives during the years between each reauthorization of the Higher Education Act? Can creating reward systems for top-notch postsecondary schools serve as a magnet that inspires mediocre schools to improve? To what extent are laws and regulations a hindrance to educating more students to higher levels of achievement?

At the heart of this act is the National Board for Postsecondary Recognition, Innovation, and Improvement. Described in title I, the 21-member Board is Congress' way of empowering the postsecondary community to engage in meaningful debate that ultimately will enhance America's ability to educate all students. The Board, appointed by the Secretary of Education, will consist of a variety of stakeholders—legislators, Governors, presidents of 2- and 4-year institutions, career school presidents, educators, and business leaders. The Board will help establish criterion for the recognition programs in the act, gather data concerning Federal laws and regulations, help identify promising practices for demonstration projects, and generally foster excellence within postsecondary schools.

Title II of the act recognizes institutional efforts to educate all students to their fullest potential by creating two new programs, one providing a meritorious certificate to institutions that meet four out of five reasonably easy to attain criterion. The other, a Baldridge-like award called the Thomas Jefferson Award for Exemplary Postsecondary Institutions, will be quite competitive, with awards going to no more than three institutions each year. If there is any item in this act that I would like to leave as my legacy it would be the creation of the Jefferson Award. Our postsecondary schools do so much good and help so many kids achieve their dreams, just like I have, I want to find a way to recognize their exemplary efforts. Chairman FORD will be hearing from me about this one because it's a winner.

The two programs will recognize the fine efforts of postsecondary schools and send forth some much-needed good news. Just like honey attracts more flies than vinegar, these awards will encourage schools to place greater emphasis on quality teachers, student achievement and improvement, services to students, community service, and difficult-to-educate students.

Title III of the act contains four activities designed to generate ideas and collect data about new and better ways of educating students. One activity expands the TRIO Progam by creating a new supplemental grant program for which current TRIO grant recipients can compete to evaluate and document the effectiveness of certain TRIO practices. In order to be eligible to compete for this grant, institutions will have to commit their faculty and resources to this scholarly endeavor, thus bringing the TRIO Program more into the mainstream of the institution. Plus, the lessons learned from the evaluations will be incorporated by the Department of Education into future TRIO programs.

Title III also creates a State Innovation Endowment Grant Progam that provides capital within each State to support innovation activities that address Federal and State concerns. This program is a beauty. It gives 10 States a million dollars each year for 5 years if they agree to make an appropriate match. All that money then goes into a permanent endowment that remains intact while the State uses the interest to strengthen postsecondary teaching, increases the State's economic competitiveness, or restructure elementary and secondary education. After 5 years the whole program is repeated in another five States.

There is also a provision in Title III for grants for demonstration projects with nationwide implication for Federal higher education assistance programs. In this section the Secretary can establish up to ten 3-year projects, to be carried out between the years in which the Higher Education Act is reauthorized, for the purpose of field-testing promising and in-

novative ideas for Congress to consider. This type of activity is desperately needed because it will help us move away from the current verbal battle of ideas that are seldom backed up with any supporting data. Just think how different the present debate on the Higher Education Act would be if we could point to 10 experiments that had been initiated 5 years ago.

Title III also amends the Higher Education Act of 1965 to expand the grant authority under the Fund for Improvement of Post Secondary Education [FIPSE] Program. This change creates within FIPSE a new Planning Grant Program, a Developmental Grant Program, and an International Exchange Grant Program. It also expands FIPSE authority to provide grant funds for improving administrative efficiency and operations. FIPSE is one of America's best kept and under funded secrets, and this action will put it on the map in a big way.

Title IV concerns regulatory relief. It requires the Department of Education and the Board to each submit annual reports to Congress about the impact and effectiveness of Federal laws and regulations. The title also establishes an Office of Regulatory Review and Assessment within the Department and gives the Secretary the authority to waive certain regulations if an institution already attains the objectives under which the requirement is imposed. The Secretary also can enter into up to five performances agreements with entities involved in the postsecondary enterprise.

The last season, title V establishes a National Post Secondary Diffusion Network to gather and disseminate information about exemplary postsecondary programs and related research.

Mr. Speaker, as you can tell, I am very excited about this piece of legislation. I want to thank all the folks from the schools in my district as well as representatives of the American Council on Education, American Association of State Colleges and Universities, U.S. Department of Education, National Association of Trade and Technical Schools, National Council for Educational Opportunity Associations, National Association of Independent Colleges and Universities, and the Independent College Association.

I urge everyone to work for the passage of this act.

BURDENSHARING IN THE PERSIAN GULF

HON. WM. S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1991

Mr. BROOMFIELD. Mr. Speaker, there has been a great deal of concern in the Congress and on the part of the American people about how the war in the Persian Gulf will be financed.

The American people rightfully expect that the United States should not have to bear both the brunt of the fighting and the cost of the war. The President has stated that he foresees no need for a war tax or supplemental budget request to the Congress to pay for the cost of liberating Kuwait.

Primarily, the President's remarks reflect the financial commitments of our coalition partners to date. For the first 3 months of 1991, $41.7 billion has been pledged to the United States: $13.5 billion each from Saudi Arabia and Kuwait, $9 billion from Japan, $5.5 billion from Germany, and $280 million from Korea. The administration is awaiting expected contributions from other NATO countries.

The combined figures for calendar years 1990–91 bring the total cash and in-kind contributions to the United States to $49.5 billion.

Following is additional information regarding contributions by our coalition partners to fund Operation Desert Shield/Storm:

BACKGROUND

On September 30, 1990, Congress passed a continuing resolution (H.J. Res. 655) which included supplemental appropriations for Operation Desert Shield. This resolution, which became Public Law 101-403 on October 1, established a Defense Cooperation Account to receive contributions for Operation Desert Shield from coalition partners. This U.S. Treasury account is designed to receive money, property, and services from individuals, foreign governments, and international organizations for use by the Department of Defense (DoD) to finance operations relating to Operation Desert Shield/Desert Storm. The law requires that in order for DoD to withdraw from the account, Congress must both authorize and appropriate the withdrawal funds.

The Department of Defense Appropriations Act for FY91 (Public Law 101-511), signed by the President on November 5, 1990, authorized and appropriated DoD's use of the first $1 billion received. On December 21, 1990, DoD notified Congress that it was withdrawing the $1 billion allowed by law. As of December 31, 1990, $6.2 billion had been donated by coalition partners. Since the full $1 billion authorized and appropriated by Congress had been withdrawn, DoD must await further action by Congress before drawing down additional funds.

CASH AND IN-KIND ASSISTANCE CONTRIBUTED TO THE U.S. DEFENSE COOPERATION ACCOUNT

(As of Jan. 30, 1991—information derived from DoD and Embassy sources)

Country	Cash contributions (received)	In-kind assistance (received)
Calendar Year 1990 (Aug. 2 to Dec. 31, 1990):		
Kuwait	$2,500,000,000	$6,000,000
Japan	900,000,000	360,000,000
Saudi Arabia	760,000,000	850,000,000
Germany	300,000,000	70,000,000
UAE	255,000,000	100,000,000
Korea	50,000,000	17,000,000
Total	4,800,000,000	1,400,000,000

Total pledges in CY90 are $7.8 billion. Total contributions received in CY90 are $6.2 billion.

Accordingly, approximately $1.6 billion has been pledged to the account for CY90, but either has not yet been transmitted or, if in-kind assistance, has not been drawn on by the U.S.

Total estimated cost for Operation Desert Shield for CY90 is $10 billion.

Having pledged $7.8 billion to the Defense Cooperation Account, coalition partners are covering almost 80 percent of CY90 costs.

First quarter of calendar year 1991 (Jan. to Mar. 31, 1991)

Country	Amount[1]
Kuwait	$13,500,000,000
Saudi Arabia	13,500,000,000
Japan	9,000,000,000
Germany	5,500,000,000
Korea	280,000,000
Total	41,700,000,000

[1] Pledged (cash and in-kind assistance.)

CY91 assistance has been pledged, not transmitted.

The Administration expects pledges from other NATO countries.

The UAE transmitted $300 million to the Defense Cooperation Account on January 2, 1991.

THE INTRODUCTION OF LEGISLATION TO INCREASE FUNDING FOR THE EXPORT ENHANCEMENT PROGRAM

HON. DAN GLICKMAN

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1991

Mr. GLICKMAN. Mr. Speaker, in a matter of weeks, one of the most important programs to our Nation's farmers will run out of money. The Export Enhancement Program has been critical to the ability of our Nation's farmers to combat unfair trading practices and regain the market share. It is also one of the most important tools we have been able to use to convince our trading partners to negotiate with us on reaching a new agreement on agricultural trade during the current multilateral trade negotiations.

However, with just 4 months in fiscal year 1991 gone, almost 75 percent of the money for the EEP is exhausted. To date, the Department of Agriculture has spent $315 million of the total $425 million appropriated for fiscal year 1991, at this spending rate, USDA will have completely used the entire appropriation for the program before the end of March.

The legislation I am introducing will stop that from happening and will ensure that the program continues through the end of this year. None of us expected to face this crisis when we rewrote and reauthorized the EEP in the farm bill last year, and clearly none of our farmers thought they would see this vitally important program dead in its track scarcely half way through the year.

In addition to my concern about this problem, I want to point out to my colleagues that the administration's budget seeks congressional approval for lifting the $425 million spending limit for fiscal year 1991. In addition, USDA estimates spending $1.2 billion for the EEP in fiscal year 1992.

It is my hope we will act expeditiously on the legislation to make sure that all of the efforts our farmers have made in recent years to regain their valuable export markets do not die on the vine in a matter of weeks. The bill has three components:

First, it will repeal the present spending ceiling of $425 million.

The "Rural Development, Agriculture, and Related Agencies Appropriations Act of 1991" imposed this ceiling on the program by preventing USDA from using funds appropriated by that act to pay salaries of personnel who carry out the EEP if the aggregate amount of funds and commodities exceeds $425 million in fiscal year 1991.

Second, it will authorize a total of $5 billion for the EEP through the end of fiscal year 1996.

From its beginning in 1985, $3.1 billion has been spent on the EEP. However, the 1990 farm bill only authorized $500 million for the EEP for each year of that legislation. The administration's budget projects spending $400 million over that level in the current fiscal year and $700 million over that level in fiscal year 1992. The 5-year $5 billion authorization will ensure adequate funding for the program over the life of the farm bill plus will enable the administration flexibility to use funds during each fiscal year as conditions warrant.

Third, it will permit the Secretary to continue to make commodities owned by the Commodity Credit Corporation available directly to foreign purchasers even if spending caps or restrictions are placed on the EEP.

Current law permits the Secretary to make CCC-owned commodities, available, either directly as commodities or in the form of certificates redeemable for commodities, to exporters or processors of U.S. commodities or directly to foreign purchasers in order to make U.S. farm goods competitive in world markets. To date, USDA has provided bonuses only to exporters, this is not, however, the only way this program may be operated.

In the past, funding restrictions, in the form of limitations on USDA's ability to pay salaries or limitations on authorizations have effectively stopped the operation of the EEP, permitting our competitors to step into our markets and shutting off valuable export markets for our farmers at the same time CCC continued to store enormous surpluses of U.S. commodities. This is very much the scenarios we now face.

The third section of the bill I am introducing would deal with this situation as well as the present funding problem. This provision would expressly state that notwithstanding any other spending restriction, the Secretary could still make CCC-owned, grain available directly to foreign purchasers, thus keeping our markets open and our surpluses down.

After only 4 months into this fiscal year, USDA has already spent over $300 million of the $425 million allocated to the EEP and still exports of wheat and other feed grains are lagging well behind last year's figures by as much as 20 percent. With a market, such as wheat, totally dependent on export activity, prices have also taken a nosedive from a $3.50 per bushel level to a level just over $2. On top of all of this, drastic increases in energy costs could quite possibly be the straw that threatens to break the farmer's back.

If the United States cannot sell this wheat, history of large stockpiles and chronically low prices may threaten to repeat itself on a long-term basis. Simply put, funding the EEP to assist U.S. wheat and feed grain exports, will help diminish the already accumulating stockpiles and strengthen prices. Without the EEP, farmers could face another economic disaster experienced in the mid-1980's, which cost taxpayers nearly $100 billion over 5 years.

Although wheat and wheat flour exports have been two primary beneficiaries of the EEP, USDA has used it extensively to combat trade subsidies against exports of other commodities, including barley, vegetable oil, frozen poultry, eggs, and dairy cattle.

Another aspect of the EEP is its effectiveness in keeping pressure on the European Community to revamp trade-distorting agricultural policies in the Uruguay round of GATT. With the negotiations now at a very critical stage, would it make sense to retire our most effective trade weapon against the Europeans? No. To keep the pressure on, this program must be continued.

From one year to the next, USDA and Congress, unfortunately, cannot accurately predict how much will be needed for the EEP; it is all dependent on world supply and demand factors, which are, to say the very least, highly variable. Last year, for example, world market conditions only warranted the use of $312 million out of the $770 million allocated for the EEP. However, this year, with abundant world supplies of subsidized wheat, world market conditions warrant much more of an expenditure.

Mr. Speaker, as I said, we face a very close deadline to ensure that this program keeps operating. It is important that we take quick action to make sure our farmers keep their export markets and to make sure that conditions in rural America do not worsen.

PRESERVATION OF OUR FORESTS AND TIMBER INDUSTRY JOBS REQUIRES CONGRESSIONAL ACTION TODAY

HON. RON WYDEN

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1991

Mr. WYDEN. Mr. Speaker, at a time when our private timberland acreage is diminishing, and public forest management is being whipsawed by complaints from both the environmentalist movement and the timber industry community, it's up to us to provide programs and incentives which compel better long-term care for our nation's public and private timberlands.

More than the future of our wood products industry depend on this. Preservation of millions of acres of land in forest use for recreation, wildlife habitat and watershed may be at stake.

That is why I and a number of my colleagues, today, introduce legislation which will put our Nation's tax policy on the side of good private forest management, and add support and direction to timber management of public lands in the Pacific Northwest.

With 28 cosponsors, I have proposed the Farm and Woodland Owners Tax Simplification Act of 1991, a bill encouraging aggressive private timber management by returning to tree growers business expensing tax advantages lost in the 1986 tax reforms. And with eight original cosponsors from the Pacific Northwest, I also introduce the Timber Management Improvement Act of 1991, a bill which directs the U.S. Forest Service and the Bureau of Land Management to increase reforestation and timber management efforts on second-growth public timberlands in the Pacific Northwest.

Mr. Speaker, these bills have impressive support from both the environmentalist and timber industry communities, as well as significant bipartisan support from congressional colleagues. And I hope that at a time when much political blood is being spilled over the question of preservation of old growth forests, these bills calling for stronger management of second-growth timberlands may begin to bind some of the wounds between the various warring groups which have a passionate interest in our Nation's forest lands.

The Farm and Woodland Owners Tax Simplification Act cures an unintended problem created by the 1986 Federal tax reform and subsequent Internal Revenue Service rulings. The changes cost private timber growers the ability to make normal business expense deductions on their tax returns. This in turn has discouraged active management of these noncorporate tree farms, and less timber from lands which make-up almost 275 million acres of the Nation's timber-growing forest base. Some forest farmers are converting their timber lands to other uses. These three farms—along with the wildlife habitat they provided—will be gone, forever.

Returning business expense deductibility to these farmers also should encourage three growers to use better forestry practices by allowing them to deduct expenses for the services of a professional forester. Tree growers will be better able to manage their timberlands for sustained yield, as well as make harvest plans which will be sensitive to environmentally delicate areas such as riparian zones.

The Timber Management Improvement Act directs the Secretaries of Agriculture and Interior to earmark more dollars for reforestation on Federal lands in the Northwest. For example, according to a recent inspector general's report, there is more than a 3-year reforestation backlog on BLM lands in western Oregon, alone. Other former public timberlands could be reclaimed for timber production under this bill.

The bill also directs more support for so-called stand improvement—tree thinning and herbicide removal designed to increase ultimate timber yields.

A recent Congressional Research Service report on this subject indicates that we could increase timber production on these lands by hundreds of millions of board feet per year. At a time when we are taking hundreds of thousands of acres out of timber production for the preservation of spotted owl habitat, I believe we have got to do everything we can to make these second-growth forests more productive.

The CRS study noted, for example, that the Forest Service could reforest more than 113,000 acres of former timberland in western Oregon and Washington at a cost of $40 million. The annual sustained yield from these lands eventually would reach 19 million cubic feet—about two-thirds the amount of annual timber yield expected to be lost because of spotted owl closures.

While both bills offer future solutions rather than short-order relief from timber shortages, I note that the legislation would create new jobs almost immediately in timber-dependent communities through increased reforestation and timber management activity.

Organizations supporting the tax rule change include number of State woodland owners associations, the Audubon Society, the 1,000 Friends of Oregon, the National Forest Products Association, the Society of American Foresters and the Sierra Club.

Organizations supporting the reforestation measure include the Oregon Forest Industries Council, the Wilderness Society and the Northwest Reforestation Contractors Association.

Mr. Speaker, I urge my colleagues to join us in support of these bills. I invite my colleagues to contact my office for the full list of interest groups which have endorsed these measures, as well as copies of any of the supporting materials mentioned in my remarks.

THE INTRODUCTION OF A JOINT RESOLUTION REGARDING RURAL SMALL BUSINESS WEEK

HON. JOSEPH M. McDADE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1991

Mr. McDADE. Mr. Speaker, today I am reintroducing a joint resolution to honor America's rural small businesses. As I stated when this measure was first proposed last spring, these firms are emerging as the lifeblood of our rural communities and their importance, as well as their nagging problems, need to be recognized by the Congress and citizens of the United States.

During the 1980's, urban areas of the United States enjoyed robust economic growth. Much of the credit for this activity accrues to the small entrepreneur in these metropolitan areas. These overachievers were responsible for roughly 92 percent of the over 10 million small business jobs created during the decade. These jobs helped to lift the American economy from the stagflation recession days of the late 1970's and today remain pivotal in the continuation of the longest peacetime expansion in our country's history. Today, 6 of every 10 U.S. workers are employed in a small firm and nearly 40 percent of our gross national product is generated by them.

The vital role these concerns play in maintaining the health of the American economy is now being emulated internationally. The fall of the Iron Curtain in Eastern Europe and the initial plodding steps toward a mixed economy in the Soviet Union have spurred demand on behalf of the peoples of these nations to own and operate small businesses. The leaders of these countries, recognizing the catalytic impact these firms can have in producing economic growth, have acceded to these demands. Again, the world responds to concepts and practices begun in America.

It is unfortunate, therefore, that the United States itself does not more aggressively apply the lessons learned from the success of small urban U.S. businesses and apply this knowledge to rural areas. During the 1980's, while the rest of the country basked in economic prosperity, over half of all rural counties saw their unemployment rates skyrocket to over 10 percent. And, whereas small businesses located in metropolitan areas created just over 9.5 million new jobs in that 10-year period, nonmetropolitan areas generated only 816,000—this despite the fact that over 24 percent of all U.S. citizens live and work in such locations. If rural America is to survive, given the changing character of the farm economy, more effort and determination is going to have to be expended by all parties concerned—Federal, State, and local governments, as well as rural citizens. It is to help begin this process that I offer this measure.

By focusing the Nation's attention on rural small businesses for a week late this summer, I hope that all Americans will take special note of their importance to the overall health and prosperity of the United States. I urge my colleagues to join me in this tribute.

FRANK S. GUERRA—OUTSTANDING CITIZEN AND WALNUT INDUSTRY DISTINGUISHED SERVICE AWARD WINNER

HON. LEON E. PANETTA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1991

Mr. PANETTA. Mr. Speaker, I rise today to pay tribute to an outstanding agricultural producer, Mr. Frank S. Guerra, on his February 7, 1991, receipt of the California walnut industry's 1990 Distinguished Service Award.

Both the California Walnut Commission and the Walnut Marketing Board have selected Frank to receive this award because of his unmatched achievements and contributions to the community and to the California walnut industry. His many years of service have created a legacy that will be hard to match for others in this industry. I can think of no one more deserving for this award than Frank.

Frank moved to Hollister, which is in my congressional district, in 1918 and celebrates his 90th birthday this year. He has long been an active and important member of our community. Since founding the Guerra Nut Shelling Co. in 1948, Frank has been responsible for a number of important innovations in walnut processing, quality control, and marketing. In addition, Frank has been instrumental in encouraging and supporting the participation of others in production research and in maintaining superior quality standards. Knowing the fierce competition of the industry, I admire Frank even more for putting quality and ethics before profit.

Members of the California walnut industry have overwhelmingly supported the selection of Frank for this honor. It is a pleasure to recognize and acknowledge his many years of service and commitment to California agriculture, his community, and to the California walnut industry. Throughout his career, Frank has demonstrated exemplary personal and professional dedication at home, in his work, and in every instance which called for his assistance. As a result, his receipt of the Distinguished Service Award comes as no surprise to his family, friends, and colleagues.

Paying tribute to Frank is a particular pleasure for me because he was a friend of my father. Both drew their heritage from the same part of Italy—Calabria—a region known for hard work, hard living, and hard heads. Both men taught their children commitment, dedication, and love of God and family.

Mr. Speaker, I ask my colleagues to join me now in congratulating Frank S. Guerra on his receipt of the California walnut industry's 1990 Distinguished Service Award. Frank is a man who continued to exhibit incredible intelligence and character. He is a vital asset to his community and the walnut industry.

URGING PRESIDENT HUGH DESMOND HOYTE TO HOLD FREE AND FAIR ELECTIONS IN THE REPUBLIC OF GUYANA

HON. RONALD V. DELLUMS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1991

Mr. DELLUMS. Mr. Speaker, I rise today to focus the attention of this body on a troublesome situation in the Republic of Guyana. The constitution of that nation calls for free and fair elections to be held on May 2, 1991. It has come to my attention, however, that the President of Guyana, Hugh Desmond Hoyte, has argued that his government needs at least 6 months to implement election reforms, including house-to-house voter registration. Therefore, the election will not be held until some unspecified future date.

The decision by President Hoyte to postpone the election has sparked a flurry of debate within the borders of Guyana. Members of the opposition parties, grouped under the Patriotic Coalition for Democracy say instituting the election reforms should take no more than a few weeks, giving the Government plenty of time to organize and hold the election by May 2. Hoyte's opponents point out that the country of Nicaragua, with 3.6 million people, used special registration centers to complete the process in 5 days over a 5-week period. They suggest that Guyana, with a population of about 750,000 people, should be able to complete the task in less time with international support.

President Hoyte has been in office since 1985, but the party that he represents, the People's National Congress, has controlled the country since it gained independence from Great Britain in 1964. Many observers had hoped the May 2 election would be the first free ballot after 26 years of systematic rule by the PNC.

In its annual report, the Guyana Human Rights Association, stated that the slight improvement in human rights during Hoyte's first 4 years in office witnessed a sharp reversal in 1989. The report noted that, until last year, the "enjoyment of rights rested heavily on Government tolerence, since no steps had been taken to ensure greater institutional protection." The GHRA report cited widespread police brutality, including torture, rape and murder.

In view of the Hoyte government's apparent lack of enthusiasm for providing institutional safeguards for Guyanese citizens, his critics question the commitment of the Government to risk losing power in constitutionally mandated elections. The opposition believes the

Government plans to stall the elections until August in the hopes that expected International Monetary Fund credits will boost the country's economy and greatly improve the chances of reelection for the PNC.

Guyana's prospects for holding long-overdue free elections by May appear dim at best, with the PNC enjoying a two-thirds majority in congress, the opposition is powerless to prevent Hoyte from passing a measure by a simple majority, or, for that matter, amending the constitution, to legally change the election deadline and prolong his administration.

Mr. Speaker, at this time, I am calling for immediate free and fair elections in the country of Guyana and I ask my colleagues to join with me in urging the Hoyte administration to adhere to its own constitution and allow the democratic process to rule.

THE NATIONAL GUARDIANSHIP RIGHTS ACT

HON. EDWARD R. ROYBAL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1991

Mr. ROYBAL. Mr. Speaker, I am today introducing legislation mandating national safeguards for elderly and infirm Americans facing or under guardianship. The bill, the National Guardianship Rights Act, is designed to combat widespread abuse and neglect uncovered in the Nation's system of guardianship. You may recall this bill is a response to abuses in the guardianship system uncovered by my former colleague, the late Claude Pepper. I am pleased to carry on his work in this important area and to join another pioneer, my good friend and colleague Senator JOHN GLENN of Ohio, who is sponsoring companion legislation in the other body.

This legislation is truly a civil rights measure. It would put an end to the widespread abrogation of rights of our Nation's most vulnerable elderly which our guardianship system today sadly permits. The current system is nothing less than a national disgrace. Unfortunately, many State and local guardianship systems have become sleeping watchdogs of personal liberty to the point where even a convicted felon is guaranteed more rights in many areas than innocent elderly and disabled Americans who are the subjects of guardianship proceedings. Because the imposition of a guardianship is so onerous—one loses the right to vote, own property, marry, make medical decisions, and other basic rights—there must be strong national safeguards against unnecessary and unduly restrictive guardianships. There are over 500,000 Americans under guardianship today.

An investigation and hearing conducted by the Subcommittee on Health and Long-term Care as well as an intensive investigation by the Associated Press exposed guardianship as a system designed to protect the elderly and infirm which had become in too many cases an avenue for abuse. Our work revealed the desperate need for major reforms to the system of guardianship. This bill, which builds upon the best of practices throughout the States and localities, is the culmination of long aims to restore guardianship to a system which does indeed serve to protect our Nation's most vulnerable.

Injustices like that suffered by a 91-year-old retired General Motors executive are the target of this bill. He was placed under a guardianship and stripped of all rights and possessions with no hearing and based only on the testimony of one person, a speech therapist. Although found by an independent psychiatrist to have a "fine and active mind," he was unable to contest the guardianship and died without any rights.

The National Guardianship Rights Act would require that all Americans facing the imposition of a guardianship receive adequate notice of impending guardianship proceedings; be represented by trained attorneys and have counsel provided if they cannot afford one; be afforded an examination by an independent professional team before any guardianship may be imposed; have the right to a jury trial; and have the right to prompt appeal of the decision or choice of guardian. The bill requires that all guardians be of competent character; receive thorough training; provide at least annual reports on the financial and physical well-being of the incapacitated person; and be subject to annual review and automatic removal by the courts. The U.S. Attorney General would be charged with enforcing this civil rights legislation and is authorized to withhold Federal moneys from States found not to be in compliance with the act.

Mr. Speaker, the National Guardianship Rights Act of 1991 was developed with the assistance of our Nation's top legal experts. The American Bar Association, the National Senior Citizens Law Center, the American Civil Liberties Union, and many other organizations and individuals provided excellent assistance when this bill was first crafted. It is my great hope that we can have the cooperation and efforts of these and other groups and individuals this year. It is my intent to hold further hearings before my Subcommittee on Health and Long-term Care of the House Select Committee on Aging on this important matter. It is my hope that the House and Senate Judiciary Committees will also convene hearings on this legislation and will report it out favorably as early as possible this session.

Mr. Speaker, I urge my colleagues to join Senator GLENN and myself in supporting this timely and greatly needed civil rights legislation.

TRIBUTE TO THE FRANKFORT LIONS CLUB ON ITS 50TH ANNIVERSARY

HON. GEORGE E. SANGMEISTER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1991

Mr. SANGMEISTER. Mr. Speaker, it is with great pride that I rise today to honor an important milestone of an equally important service organization in my district, the Frankfort Lions Club.

On February 25, the Frankfort Lions Club will mark its 50th anniversary of fellowship and service to the community. It is the oldest active service organization in the village.

Meeting in what is now the Village Hall, 19 Frankfort men, including my father, George C. Sangmeister, founded the club in 1941. Each of those charter members firmly believed in the Lions' motto: "No one ever stands so tall as when he stoops to help those less fortunate." The club membership has now grown to more than 90, including original members Albert Krusemark Jr., Burt Breidert, Arthur Bauch and Lester Soucie.

Over those 50 years of its existence, the Frankfort Lions Club has fulfilled its motto through numerous community service projects. These projects include the village's first street signs, installation of gas at the Frankfort Public School, readying the grounds and cosponsoring lights for Frankfort's Little League, sponsoring a shelter at the village's public tennis courts and donating park and gymnastic equipment to name just a few. The Lions' initiation of the Sauerkraut Festival has progressed into the Fall Festival, a village-wide celebration of Frankfort's heritage.

The club has also helped provide holiday baskets to the needy, summer camps for blind and deaf youths and has continually strived to serve the various needs of blind and deaf members of the community.

Mr. Speaker, I congratulate club president Phil Budny, his fellow officers and each member, past and present, on their 50 years of service to their community.

HARRIS COUNTY MAYORS' AND COUNCILS' ASSOCIATION SUPPORTS PERSIAN GULF POLICY

HON. JACK FIELDS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1991

Mr. FIELDS. Mr. Speaker, It was a pleasure for me to speak with many of the members of the Harris County Mayors' and Councils' Association by telephone on the evening of January 17. I had been scheduled to address the members of the association in person, but as you may recall, events in the Persian Gulf required me, and my colleagues, to return to Washington from our congressional districts.

The Harris County Mayors' and Councils' Association is composed of the mayors and city council members of the 28 cities located within Harris County, TX. Developments in the Persian Gulf were clearly on the minds of the 135 men and women who attended the association's January 17 meeting.

Based on the comments made, and the questions asked of me, I thought I detected widespread support for the policies enunciated over the last several weeks and months by President Bush, and for the actions our president has undertaken to address Iraq's invasion of Kuwait.

Nonetheless, I was surprised to receive recently a proclamation in which the Honorable Wilson Archer, member of the Humble City Council, on behalf of the Harris County Mayors' and Councils' Association, offers our support of the efforts of the U.S. military service personnel and offer our prayers for the men and women serving during this conflict. The proclamation points out that by unanimous

vote of the membership of the Harris County Mayors' and Councils' Association we strongly support the actions of President Bush and the United States Congress relating to the Persian Gulf conflict.

Mr. Speaker, I simply want to applaud publicly the members of the Harris County Mayors' and Councils' Association for taking this unequivocal stand in support of those American men and women who are currently serving our Nation in Operation Desert Storm. Those brave men and women cannot help but be heartened to know that the vast majority of Americans are united in supporting Operation Desert Storm, and in praying for the safe return, as quickly as possible, of all our Armed Forces personnel from the Persian Gulf region.

I would like to include in the RECORD the full text of the association's proclamation:

PROCLAMATION

Whereas, the Harris County Mayors' & Councils' Association, an Association which represents 28 cities in Harris County, held their regular meeting on January 17, 1991. The meeting was attended by 135 people which included Mayors, Council Members, spouses and guests; and

Whereas, the Honorable Jack Fields, Jr., United States Congressman District 8, a resident of Humble, Texas, delivered a message via telephone from Washington, DC, advising our members on the current conditions of the war effort in the Persian Gulf; and

Whereas, the Association is very appreciative of Congressman Fields in taking time from his schedule during this crisis period in order to speak to the membership and to respond to their many questions; and

Whereas, by unanimous vote of the membership of the Harris County Mayors' & Councils' Association we strongly support the actions of President Bush and the United States Congress relating to the Persian Gulf conflict;

Now, therefore, I, Wilson Archer, by the authority vested in me as President of the Harris County Mayors' & Councils' Association, offer our support of the efforts of the United States military service personnel and offer our prayers for the men and women serving during this conflict.

In witness whereof, I have hereunto set my hand and have caused the official seal of the Harris County Mayors' & Councils' Association to be affixed this 18th day of January, 1991.

Signed: Wilson Archer, President

Attest: A. Lee Smith, Secretary/Treasurer

INTRODUCTION OF A GOOD WILL DOG SLED RACE BILL, "HOPE 91"

HON. DON YOUNG

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1991

Mr. YOUNG of Alaska. Mr. Speaker, it is my privilege to introduce legislation today supporting the creation and implementation of a good will dog sled race in 1991 involving the United States and the Soviet Union.

The Committee on Physical Culture and Sports of the Chukotka Executive Committee of the Soviet Union and the Iditarod Trail Committee Inc. of the United States recently signed an agreement to organize and promote an American-Soviet dog sled race entitled "Hope 91." The Nome-to-Provideniya good will mission of 1988, along with the many other cultural exchanges between the United States and the Soviet Union, has provided the impetus for this historic sporting event.

The inaugural "Hope 91" race—also known as the Alaska-Chukotka Great Race—is scheduled to begin in Nome, Alaska, during the first week in April 1991. The 900-mile race will follow a trail from Nome to Teller to Wales, Alaska, across the Bering Sea to Uelen (Whalen), along the coast of the Soviet Union and ending in Anadyr. Race officials from both countries are expected to extend about fifty invitations to qualified dog mushers from different countries. This international event is being cochaired by Alaskan Leo B. Rasmussen, President of the Iditarod Trail Committee Inc., and Soviet representative Victor Orlav, Chairman of the Sports Committee for the autonomous Chukotka Region.

As you may know, dog mushing is foreign to most members of the Soviet society. However, through such a unique race as "Hope 91," the sport of dog sled racing will help generate warmth and good will between the peoples and countries of the Arctic region. Mr. Speaker, I urge my colleagues to support this historic international event and to join me in cosponsoring this legislation.

THE DESERT STORM FAIRNESS ACT

HON. TOM CAMPBELL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1991

Mr. CAMPBELL of California. Mr. Speaker, I am sure we all agree the men and women participating in Desert Storm should not suffer tax penalties for their service to the country. It is for that reason that today I am introducing the 1991 Desert Storm Fairness Act.

The legislation would allow individuals who are members of the Armed Forces or Reserves and are active in Desert Storm to withdraw money from annuities, IRA's, and other retirement plans without having to pay Federal tax penalty for early withdrawal. Under current law, those who make early withdrawals from IRA's or annuities must pay an additional 10-percent Federal tax on that withdrawal. The Desert Storm Fairness Act would allow Desert Storm participants to make penalty-free withdrawals up until 90 days after their service in Desert Storm has ended.

Many Desert Storm participants are undergoing financial difficulty as a result of their service. In particular, a large number of reservists who have been called to active duty are paid less money than they made in civilian life. Under current law, those reservists cannot withdraw money from an IRA or annuity to make up the difference and support their families—unless they are willing to pay a 10-percent penalty. That is not fair, and it is not in keeping with the spirit of the IRA regulations, which allow for early withdrawal in cases of hardship.

I am proud to join the efforts of Idaho Senator LARRY CRAIG, who is today introducing companion legislation on the Senate side. He is a staunch supporter of America's armed services and veterans.

Mr. Speaker, our men and women participating in Desert Storm are already making tremendous sacrifices for our country. Let's make sure they don't also have to sacrifice a part of their retirement plans.

HONORING MOUNT SAN ANTONIO COLLEGE, WALNUT, CA

HON. ESTEBAN EDWARD TORRES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1991

Mr. TORRES. Mr. Speaker, the month of February 1991, is National Community College Month. It is a time to pay special tribute to the many community colleges, and reflect upon the vast changes and contributions which they have made to the educational system of this nation and state. In addition, I pay special recognition to Mount San Antonio College, Walnut, CA, a distinguished college whose institution of postsecondary education has produced the highest quality of education.

Mr. Speaker, education is an extremely important subject to me. Since the founding of Mount San Antonio College nearly 50 years ago, the college has exploded both in size and stature. The college opened its doors in 1946 with a staff of 32 people and 600 pioneer students. Today, the college is home to 301 certificated full-time faculty members and 25,000 undergraduate students. It serves 38,000 residents in 12 cities and 4 unincorporated communities.

The college offers 2-year degree programs, transfer education, career preparation, basic skills education, and continuing education and is one of the most single comprehensive college districts amongst the California Community Colleges. Further, Mount San Antonio College enjoys a special partnership with the business community, industry, and government. This has been a few of its most important assets to the local economy as the college has provided a window of economic opportunity for all.

Mount San Antonio College has also been an innovative leader by bridging the gap of educational opportunity between our local elementary and high schools in the area that it serves. The college has fostered an excellent quality of instruction at all levels of education. It additionally has been a creative and vital resource for community services, which includes cultural programs, educational and career counseling, and special events for the entire family.

Mr. Speaker, it is with honor and pride that I rise to recognize Mount San Antonio College in its celebration of National Community College Month, February 1991, in honor of this Nation's educational system and its role in offering educational and employment opportunities for all. I ask my colleagues in the House to join me in extending best wishes and congratulations to Mount San Antonio College and the community colleges of our Nation.

TRIBUTE TO OTTIS ANDERSON

HON. DONALD M. PAYNE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1991

Mr. PAYNE of New Jersey. Mr. Speaker, on Sunday, January 27, 1991 a citizen of Orange NJ, was voted "Most Valuable Player of Superbowl XXV." Ottis Anderson, No. 24 of the "New Jersey" Giants, dazzled the audience and his colleagues with his performance on the football field. He scored the second touchdown in Superbowl XXV. The oldest active running back in the National Football League proved once again that age is only a number.

Ottis, known by some as O.J. Anderson, started his professional career with the St. Louis Cardinals with a number familiar to the O.J. initials No. 32. The famous running back O.J. Simpson also wore the No. 32 when he played for the Buffalo Bills. Ottis, a Florida native, attended the University of Miami where he was an outstanding player for the school. He was drafted into the National Football League and has played professionally each year since 1979.

In 1986 Ottis Anderson joined the Giants. In 1989 he rushed for over 1,000 yards, helping to lead the Giants to another successful year. To date he has rushed for a career total 10,200 yards, including 6 years of rushing for over 1,000 yards. These statistics have given him the rank of eight in all time National Football League running backs. It is his inate ability to cut and find openings in the opponents line, when other running backs would have been stopped that has contributed to Ottis' outstanding career.

I ask my colleagues to join me in congratulating Ottis Anderson, one of my constituents, who is going to be honored on Wednesday, February 20, 1991 by the city of Orange, his neighbors and friends, for the outstanding job he did in Superbowl XXV. He has made the citizens of Orange, the citizens of the 10th Congressional District and the citizens of New Jersey very proud.

DEATH OF LANCE CPL. JAMES LUMPKINS

HON. WILLIS D. GRADISON, JR.

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1991

Mr. GRADISON. Mr. Speaker, the death of Marine Lance Cpl. James Lumpkins of New Richmond, OH, which is located in my district, and 10 other Marines this past Tuesday has brought home the personal tragedies of war. Corporal Lumpkins death has forced us to recall the great truth that freedom is not free and that the burden of defending freedom is not borne equally. Obviously, there is no way we can adequately thank Corporal Lumpkins and others who make the ultimate sacrifice in order to make the world a better place.

Lance Corporal Lumpkins is not the first from New Richmond to die in the service of our Nation. In 1983, two New Richmond men were killed in the terrorist bombing of the Marine headquarters in Beirut. The deaths of these three brave men have been a tremendous blow to this small, deeply patriotic community.

The outrages perpetuated daily by Saddam Hussein are a reminder that the news from the Persian Gulf is going to get worse before it gets better. It is inevitable that more soldiers will be called to lay down their lives in the defense of freedom and that more families will receive visits from defense personnel. My thoughts and prayers are with the soldiers carrying out their mission in the Persian Gulf with bravery and determination and the families who await the return of their loved ones.

A RALLY IN SUPPORT OF OUR TROOPS

HON. GUS YATRON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1991

Mr. YATRON. Mr. Speaker, here in the Capitol over the past few weeks most of our energy and attention has been focused on the war in the Persian Gulf. Brave and courageous U.S. soldiers are engaged in a struggle with Saddam Hussein's forces, and I know that every one of my colleagues is keeping our soldiers in their prayers. Congress, a body divided by design, has cast aside its partisanship, has joined with the President, and is fully cooperating to make sure that the valiant U.S. soldiers in the gulf have everything they need in both material and moral support to prevail and triumph over Hussein's brutal aggression.

More important to the troops, perhaps, is the knowledge that Americans across our great country support them. Every day Americans gather around the flag to keep faith with U.S. forces. Americans are coming together to pledge to the troops, and to all veterans of past wars, that we will not forget them for their sacrifices in maintaining and preserving the democratic principles and respect for liberty that America has come to symbolize. The courageous American troops are putting their lives on the line to protect the freedoms that we now enjoy. They are our common heroes, and we must make sure they know that we are indebted to them for their selfless acts in defense of our freedom.

Mr. Speaker, on Saturday, February 9, 1991, the Combined Veterans Council of Berks County, PA, will rally in Reading City Park in support of our troops. The Combined Veterans Council of Berks County is comprised of soldiers of our most recent wars—World War II, the Korean war and the Vietnam war. These veterans, along with many Gold Star Mothers and other patriotic Americans, are gathering to demonstrate their solidarity with the troops and with President Bush. They will also pay tribute to all veterans, past and present, and to show those soldiers still missing in action and their families that they have not been forgotten.

I rise today to commend the Combined Veterans Council of Berks County for holding the rally and all those who will attend this gathering of patriots. The bold and heroic soldiers fighting for America need to know that they have our love and our support, and that we will not forget them in their hour of need. The Combined Veterans Council of Berks County is sending that message loud and clear, and I am deeply honored to be able to share that message with my colleagues here in the House of Representatives.

THE PALESTINIAN PROBLEM

HON. NITA M. LOWEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1991

Mrs. LOWEY of New York. Mr. Speaker, last week, Secretary of State James Baker and Soviet Foreign Minister Bessmertnykh issued a joint communique on the Persian Gulf war that created uncertainty and confusion as to whether a new policy on the gulf war was emerging—a policy that seemed to embrace the concept of linkage between the war with Iraq and the Palestinian problem.

Those of us who understand that any linkage is dangerous and wrong—and who have supported the administration in its opposition to any linkage—were not surprised to see the administration insisting, only hours later, that the communique did not represent a change in U.S. policy.

Efforts to equate Saddam Hussein's unprovoked aggression against a sovereign nation and Israel's capture of territory while defending itself amount to nothing less than appeasement of Iraq's aggression.

In the future, the administration should consult with Israel in advance of issuing statements on the Middle East peace process, and the administration and Congress should remain firm in their opposition to any linkage between the gulf war and the Palestinian problem.

INTRODUCTION OF THE OPERATION DESERT STORM CONTRIBUTION ACT

HON. FRANK HORTON

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1991

Mr. HORTON. Mr. Speaker, today I am introducing legislation which will allow individuals to direct part or all of their Federal income tax refunds to Operation Desert Storm.

Over the past 6 months we have heard of the costs that will be incurred by the U.S. Government during Operation Desert Shield and Operation Desert Storm. While I am encouraged to hear that the allied nations will be bearing their share of those costs, some of the financial burden will undoubtedly be borne by the United States. My legislation will not only grant taxpaying Americans the opportunity to assist their Government in reducing the cost of Operation Desert Storm, but also allow our constituents the opportunity to show both their moral and economic support for the many men and women currently serving their country in the Persian Gulf.

I urge my colleagues in the House of Representatives to cosponsor this legislation that will allow their constituents to do their part for Operation Desert Storm.

LEGISLATION TO HELP AMERICA'S SMALL BUSINESS COMPETE

HON. RICHARD T. SCHULZE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1991

Mr. SCHULZE. Mr. Speaker, currently, the overwhelming majority of all U.S. exports to the rest of the world are accounted for by a regrettably small handful of U.S. corporations—mostly large in size. While these large corporations deserve praise for the role they play in mitigating the enormous U.S. trade deficit, we must encourage America's entrepreneurial small- to medium-sized firms to pursue and seize overseas sales opportunities, as well.

Today, I am introducing legislation to stimulate smaller American businesses to enter foreign markets by granting subchapter S corporations the right to setup foreign sales corporations. A foreign sales corporation [FSC] is a mechanism that Congress created in order to provide a tax benefit to spur exports, while not being in violation of the General Agreement on Tariffs and Trade [GATT]. This would make this valuable incentive available to what in the future could be our most competitive exporters.

I am firmly convinced that at a time when we should be enhancing our ability to export and compete in world markets, everything possible must be done to facilitate the entry of smaller American businesses into these lucrative markets. Granting subchapter S corporations the right to set up FSC's clearly would help further this goal.

We must recognize that our nimble, innovative and energetic small businessmen and women can and want to make significant contributions to the exports side of the trade equation by exploiting overseas sales opportunities. But first, we must do our share by providing these entrepreneurs with the tools essential to penetrating fiercely competitive global markets. In short, we in Congress must give them a fighting chance.

I urge my colleagues to help America's small businesses compete by cosponsoring this legislation.

PERSONAL EXPLANATION

HON. ESTEBAN EDWARD TORRES

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Tuesday, February 5, 1991

Mr. TORRES. Mr. Speaker, I was unavoidably absent on official business during rollcall votes No. 11 through No. 17 on Wednesday, January 23, and Tuesday, January 29, 1991. Had I been present on the House floor I would have cast my votes as follows:

Rollcall No. 11—"Yea" on House Concurrent Resolution 41, to condemn the Iraqi attack on Israel.

Rollcall No. 12—"Yea" on House Concurrent Resolution 48, to condemn the Iraqi treatment of allied prisoners.

Rollcall No. 13—"Yea" on House Resolution 4, the IRS extension for Persian Gulf troops.

Rollcall No. 14—"Yea" on House Resolution 3, veterans' compensation amendments.

Rollcall No. 15—"Yea" on House Concurrent Resolution 40, condemning the Soviet use of force in the Baltic States.

Rollcall No. 16—"Yea" on House Resolution 556, Agent Orange Act.

Rollcall No. 17—"Yea" on House Resolution 555, Soldiers' and Sailors' Civil Relief Act amendments.